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MAY 1947

## Japan Resurgent

O. M. GREEN

## The British Commonwealth Occupation Forces

Lt. Col. E. M. KING, M.P.

## The Origins of the Indo-Chinese Problem

IACQUES SOUSTELLE

## Aspects of Anglo-Indian Trade

FELIX WIRTH

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SHILLING

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SIXPENCE

"EASTERN WORLD" fills a long missing gap in the British magazine world, and is the first British journalistic publication which devotes itself to the mission of creating a live link between this country and the Far East.

It has been designed to express the great interest shown in this country in Eastern affairs by explaining the British point of view to readers in the Far East, while at the same time following closely all developments in the Far East in order to inform British readers on the political, economic and cultural situation in that part of the world.

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"EASTERN WORLD" has found the utmost encouragement by people who matter in Far Eastern affairs and who are able to shape policy and to influence commercial developments in that area. The new magazine is being subscribed by officials of the British, Chinese, Burmese, Indian, Dutch, French, Malayan and other Governments, by the leading industrialists of the biggest concerns in the Far East and in Europe, as well as by political and commercial organisations of importance, but it will be distributed at the same time to university institutes, economic associations, hotels, to air and shipping lines and to all important clubs.

The Far East, with its vast and mostly undeveloped markets, is of the utmost importance to this country. Developments in India, Indo China, Siam, Burma, China, Japan and Korea, as well as in the Dutch East Indies and the Pacific are likely to have the most vital consequences on the political and economic situation in this country.

While large territories are gradually severing or loosening their ties with the British Empire, others are by now tacitly accepted as American spheres of interest. On the other hand, it is known beyond doubt that there is a considerable good will towards British goods in the East, and that the British point of view concerning political developments there is not sufficiently made clear to the peoples in the East.

Yet, while the Americans are publishing a large number of magazines dealing with Far Eastern affairs, the existing British periodicals specialising on that subject are either predominantly trade or commercial publications, or academic papers, unlikely to reach other than strictly commercial circles or a small group of intellectuals.

The new magazine deals with a great variety of subjects, ranging from policy and economy in the Far East to book reviews, art, hygiene and education, and will devote its space to serious investigations in these fields by authoritative and prominent journalists or outstanding personalities connected with Far Eastern problems.

"EASTERN WORLD," therefore, will appeal to those who desire to foster good relations between the Far East and this country by the introduction of constructive proposals which will promote the raising of the living standard amongst the peoples of Eastern Asia which, in return, will show important results in the extension of British markets there.

# **EASTERN** WORLD

#### ASIAN CONFERENCE.

Pandit Jawaharal Nehru was careful to point out that the Asian Relations Conference was not a pan-Asiatic movement directed against the West, and progress all over the world. This assurpotentialities in their own region. The weaken it from the inside. relative success of the Arab League has shown that "blocs," even if they are fervently denied, have the effect of compact representation in international NEW CHINESE GOVERNMENT. councils. It is only natural that the new Asiatic Relations Organisation, the result of the Conference, should first try to analyse the mutual help the Asiatic countries can offer each other. That any more than moderate attempt to decry the West was discouraged at the Conference, shows that the Asiatic leaders realise that their economic problems can hardly be solved for some time without the resources and good will from the West. How far statesmanlike prudence will be able to prevent extreme nationalistic factions to predominate, only time will show.

The present communal excesses in India, which continue in spite of the urgent appeals from both Mr. Gandhi and Mr. Jinnah, have shown that the forces of nationalism seem to be much stronger than the supra-national feelings for the Asiatic Continent which the Conference tried to convey.

#### JAPANESE ELECTIONS

The party will not command a majority tion.

vote in the House. The two conserva- This group, composed of the Young tive parties (Liberal Party and Demo- China Party, the Social Democrats and crats) have secured 133 and 126 seats some minor liberal groups, have been respectively, and it can be taken for called by Gen. Marshall "a splendid granted that the Social Democrats will group of men." For a long time they not be allowed to put their party prohave suggested that the Government gramme into action.

This includes State control over coal, negotiate. steel and other raw materials as the

Ever since Dr. T. V. Soong's resignation from the premiership, it has been clear that President Chiang had decided not only to end the absolute one-party rule by the Kuomintang, but also to rid the party from its corrupt and rotten elements which for too long had been permitted to run and ruin the country, and which had disgusted Gen. Marshall to such a degree that he called them openly the "dominant group of reactionaries" who had foiled all his attempts to inspire a coalition Govern-

It seems that even President Chiang had to fight these people first before he could hope to create anything like the present situation where the re-organisation of the State Council and the creation of the coalition Government constitute a notable concession to public Believing in the freedom of the press, force, has announced a 12-point pro- being published. They do not necgramme which should contribute much essarily express the views or policy Having secured 143 seats in the Diet towards the pacification of the country, of the paper. out of a total of 466, the Social Demo- if the promising middle-group of X crats emerge as the strongest party from "liberals" is allowed to play an effecthe recent general elections in Japan. tive part in its practical implementa-

should seek a political solution as soon as the Communists are prepared to

first big step towards nationalisation; Now that these conciliatory elements the re-organisation of the whole wage- share in power as well as in responsinegotiating machinery by bringing in- bility, it may be possible that a more dustrial workers together with fisher- favourable atmosphere has been cremen and farmers; and also a number ated, and that the conference table may of steps designed to check inflation, replace the battle-field. The appointthat its aim was to promote peace and If the election result can be taken as a ment of General Chang Chun, who for serious move towards moderate social- long has been identified with economic ance has been noted with satisfaction ism, the time will come soon for the plans aiming at intensified industrialisain London, where it is realised that the Japanese Social Democrats to prepare tion, may have beneficial consequences speedy course towards independence of their party for the coming responsibilion the chaotic financial position. many Asiatic countries will force them ties which they might be called upon to "Foreign loans henceforth to be conto examine their own political, cultural shoulder within a few years' time, and tracted shall all be earmarked for purand, most important of all, economic to give up the petty disputes which poses of stabilising and improving the people's livelihood and of production and reconstruction" is a point of the new Government Programme.

> Though Kuomintang domination has remained in the Executive Yuan, the real concessions are visible in the composition of the State Council, which is to be the supreme policy-making body. Out of its 40 seats only 12 are held by the Kuomintang, while 11 seats have been left vacant for Communists and Democratic League members. As freedom of person and freedom of speech have been guaranteed in the new Programme, and as the State Council has the power to enforce its decisions to be carried out by the Executive Yuan, it seems as if the basis for free and authoritative participation in Government is now open to all parties.

opinion. The new Government, which this journal represents a forum where is to stay in power until December, articles containing many different, when the new constitution comes into and often controversial opinions are

## THE DUTCH AND THE EAST INDIES

by Roy Sherwood

ORE than four months have passed since the document generally referred to as the Linggadjati Draft Agreement was initialled between the Dutch and the Indonesians. It had taken almost a year of negotiations to accomplish this, and the course of the discussions had been anything but smooth. There had been one lengthy deadlock and several occasions when the probability of an early total breakdown had been reported. So much slow and painful labour then, aided in its first stages by Sir Archibald Clark Kerr-now Lord Inverchapel -and later on by Lord Killearn, might have been expected, when at long last it had come to an end, to yield results a good deal better than the present state of affairs. For, though fortunately reduced in number and gravity of late, military clashes have not yet ceased altogether; and the draft agreement remains an initialled but as yet unsigneddraft. It has not, up to date, advanced even to the condition of a completed text, with i's dotted and details filled in, and still less to the dignity of an agreement duly signed and ratified by both sides.

In these rather depressing circumstances it becomes all the more cheering to know that the negotiators themselves, on both sides, have remained optimistic. This is a fact worth stressing, less on its own account, than because of the nature of the remaining difficulties. But before coming to these, let me dispose of one widespread misconception. There is a tendency among people not familiar with the past history of the Far East to place the Indonesian problem into the same category and on the same level as those of the Philippines, of British India, Burma and Malaya, and of Indo-China. But they all differ in many important points, and a resemblance significant in present conditions exists between only two of them--Indo-China and the Netherlands East Indies. The common factor between the two cases is of interest to us only in so far as it must bear the main responsibility for the slow progress towards a solution of the Indonesian problem and for whatever seems disappointing in the course of events since the Draft agreement was initialled on November 15th.

France and Indo-China, and Holland and the East Indies respectively were the only two sets of countries among all those intimately concerned in post-war Pacific developments in whose cases both the European "mother" country and the overseas "infant" country were enemy-occupied during the war, and therefore shut off from the gradual change in world thought for four or five years. As a direct consequence of this even the intensely progressive Acting Governor-General of the Netherlands East Indies, Dr. H. J. van Mook, was mistaken in his views regarding the strength and the genuineness of Indonesian nationalism when he

first set foot on Java after the Japanese surrender. Knowing, as he did, that the "Republic of Indonesia" was a Japanese creation called into being as a sort of political time-bomb a few days before the capitulation, he was at first convinced that it in no way corresponded with the majority's true wishes and feelings. As soon, however, as he perceived the truth, he changed his attitude, and since then has been the undoubted—and occasionally disliked—leader of the most progressive men on the Dutch side.

To the people at home he appeared to be beginning to side with the "enemy-tainted" Republicans. That is how the Commission-General was born. Conceived, at least partly, as a check upon Dr. van Mook, it was sent to Java to assist him in the negotiations—and finally came back with the Linggadjati proposals. These, admittedly a compromise, yet go much farther towards acceptance of all the Republicans wanted when they began the discussions, and than the less progressive elements of Dutch homeland opinion were prepared to grant. Hence the restrictive notes of interpretation appended to the Draft Agreement, before the Commission-General, visiting Holland for full reports to the Cabinet, was authorised to sign it on its return to Java. The Indonesians object to the interpretative notes, and that is where the matter stands at the time of writing. Only one thing remains to be pointed out with regard to the Dutch attitude. That is that, since Holland first received the shock of the Republic and its claims, opinion on the whole has moved steadily forward, and is still so moving; and that the Linggadjati proposals, even with the notes of interpretation, mean all the independence to which such responsible Indonesian leaders as Soetan Sjahrir lay claim.

For the Republicans, too, as Sjahrir stressed in a recent speech, "have their reactionaries." If the Dutch in Holland knew little or nothing of world changes in thought when they suddenly found themselves liberated from the Germans, the Republicans did not know—and are taking a long time to realise—that the returning post-war Dutch have left "colonial" ideas far behind them. They might not have done so if they had all spent the war years in imprisoned Holland. But the Government was in London and sufficiently alive to the trend of the times to have inspired Queen Wilhemina's speech of December 7th, 1942, in which the abrogation of the old order was announced, long before the Republic set up its claims.

Since the above was written, the Linggadjati Agreement has been signed between the Commission-General and the Indonesians. As the result of an ingenious compromise suggested by Mr. Soetan Sjahrir. This compromise and the situation created thereby will be dealt with in a further article by Mr. Sherwood next month.

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## SOUTH EAST ASIA - THE NEW BALKANS?

by Leslie Hope

(who visited the countries of South-East Asia before the war, returned there in time to see the development of the Japanese attack in 1940 and went back to Singapore in September, 1945, with the Allied Forces of reoccupation)

DROBABLY it is too late already. But it is, perhaps, worth remembering that little more than a year ago the leaders of the Indonesian Republican movement were calling on the United Nations to take their country under an international wing. They were not just appealing for support in their fight against the Dutch, or for judgment on some particular issue. The cynic might attribute this belief on the part of what is probably the most highly developed movement in South East Asia in the executive authority of the United Nations to a somewhat naive remoteness from the realities of the organisation; the interested opponents of South East Asian independence certainly discounted the appeal as propaganda. But at least to some observers on the spot, it seemed that the sincerity was there, and that a chance was there for the taking by the Great Powers which dominate the United Nations—a chance in one explosive area of the world of making the organisation swim by the traditional process of throwing it in at the deep end, making it work by giving it something practical to do.

Has the chance passed? And what would happen if it were taken? Obviously it is not simply a question of making Indonesia alone the first United Nations territory; that would indeed be the slight on Dutch Colonial policy (as compared with that of fellow Imperial powers) which in other contexts the Dutch have so stoutly, and not without reason, resisted. It would, too, create an impossible situation in an area still mainly colonial where nationalities are scattered and fluid.

"ASIA FOR THE ASIATICS."
But the troubles which have followed the defeat of Japan are not confined to Indonesia. The parallel with French Indo-China is obvious, and the absence of open war in Burma and Malaya cannot disguise the potentially revolutionary situation among the people there if they are not fed (as the British Government has with some intelligence been feeding them) with habit-forming doses of responsibility. Banditry, strikes, public demonstrations, all are far from confined to the colonial territories of South East Asia and far from being evidence of immediate upheaval. But in the present state of the world, they combine with outside expressions of sentiment from, say, the United States and Russia-and, indeed, the people of Britain and France—to crystallise an irresistible demand for a new order other than that offered by Japan.

Or at least not so different from that offered by Japan, though different as can be from Japanese "co-prosperity." Japanese slogans, as we found to our cost in 1941, are a good deal better than Japanese practice. "Asia for the Asiatics"; was there ever a more appealing battle-cry? And, to take the Dutch again as an example, perhaps their

cry of Quisling at Soekarno has done more than any other single thing to bring out the difference between their thought and that of the people over whom they have sought to reassert their authority. Soekarno surely appears to have many of the attributes of a demagogue (and a highly successful one) but that is another question and hardly for the Dutch to judge. Their complaint against him is, in fact, that being a man with sufficient popular appeal to make it advisable for them to exile him before the war, he then embraced the cause of a nation which found him worthier of Government office than of exile. It was not for Soekarno a choice between his own people and their enemies; it was between foreigners who used their authority to suppress him and other foreigners who used it to mark him for distinction. Since man is naturally prone to attach importance to the recognition of his own rightness, Soekarno's choice of ally is one for dialectical rather than moral judgment.

Asia for the Asiatics. The colonial powers (and China) knew before Pearl Harbour what that really meant in a Japanese mouth. Now the people of South East Asia know too. But the mere fact that from India to Java there is still mass support for leaders who went along with Japan against their former rulers shows that even in the aftermath of delusion the idea behind the lie means something more than the phrases of the European "liberators" about law and order and economic rehabilitation. It is exasperating to a conscientious colonial administrator to find his best efforts to "put things straight" for the benefit of the colonial people by the standards of his own in Europe to find himself sabotaged and hindered by a catchpenny nationalism which he must think out of touch with economic reality. But it would not be a bad prophecy that among the Soekarnos, the Aung Sans and Ho Chi Minhs are, or will arise some whom historians will write down as the Garibaldis, the Simon Bolivars of their countries.

#### TROUBLES TO COME.

And in this very thing is the ultimate danger. Here the wheel comes full circle back to the necessity of the United Nations. South East Asia showed in 1941 a very fine example of the fate under the then world organisation of free nationalism in South East Asia. Siam, to whose sovereign independence the West is paying lip-service, was after broken France's Indo-China, the key to the whole tragedy of the South Pacific. Now, divided up by the accidents of conquest-areas achieved by the European colonists a century and more ago, these Asiatic Garibaldis are trying to create sovereign independent States out of no more sensible conglomerations than the existing administrative areas. Sovereign Siam is already half in arms against half-sovereign Viet Nam, held off by French juggling with the disputed status of the disputed Kingdom

of Laos. The Chinese have their eye on bits of Upper Burma, where the now-evacuating British were for this reason so chary once of letting Chinese troops penetrate. The artificial divisions of Borneo, Timor, New Guinea cannot long survive the irredentism which the Garibaldis must foment for pride's sake if the West leaves the field clear to them.

Above all, from Hanoi to Port Moresby and out to Fiji there is a tangle of races as complicated as anywhere in the world. The Chinese trader (who can never lose his Chinese citizenship)), the Indian estate worker, the numberless versions of migrant Malay, the Dyaks who want their White Rajah, the Sakai of Malayan jungles; these are surely, once the balance of the West gives way to unregenerate nationalism, the predestined victims of a strife to rival that which has rent Europe for fifteen hundred years. Not only will the local leaders be driven to racism and expansion by the friction of foreigners within their midst: the two great (at least in posse) imperialisms of India and China have good excuse to step in to protect their fellow nationals living in this turbulent cauldron. Already Chiang Kai-shek in "China's Destiny" has given an outline of what China, not without reason, considers to be her traditional overlordship of continental South East Asiait is not fifty years after all since far-away Nepal's last tributary Embassy paid formal submission to the Dragon Throne at Peking. And in practical affairs since Japan's defeat neither China nor India, weak and divided as they now are, has missed a chance of proclaiming and seeking to enforce their protecting powers over their people in the now vexed countries.

Finally, Russia must in this confusion of political nationalism and economic ambition be reckoned as a factor. In Malaya, at least, it was belatedly found in 1941 that the proscribed Malayan Communist Party could provide Britain's best local allies against Japan. The Communists in Asia (mostly Chinese) contradicted their comrades' line in Europe by forming the spearhead of resistance even while Russia was neutral. Unlike such as Soekarno, they did not compromise themselves, though there is no doubt they would have been careless of doing so vis-a-vis their colonial rulers. It was with their own people that they gained in power by maintaining a resistance to Japan as determined as that which had brought them original disfavour from Japan's enemies. It is an irony that thus they found themselves the allies of the colonial powers, but there is no inconsistency in their rejection of such alliance now Japan is beaten. Whether or not Russia can claim to be vitally interested in them is a matter for diplomatic wrangling; it is of more importance that they look to Russia (as with Japan it is, psychologically, no matter whether rightly or wrongly) as model both of international free association and of the economic equity which they think colonial capitalism denies them.

These colonial Communist Parties are far from dominating the South East Asia political scene, and within themselves they lack something of the cohesion and discipline of their European equivalents. (Burma is perhaps unique in having two rival parties labelling themselves Communist.) But in present circumstances they can wield the double propaganda weapon of political liberation and economic

advancement to gather increasingly around them the groups of imprecise dissidents inevitable in an awakening dependent people. And more than the mere nationalists, they have a positive solution to offer—an international solution to which the only cogent objection can be Western democracy's majority rejection of Communism—an objection which can have less than no force for those whose experience of Western democracy at second hand has seemed to them unfortunate.

#### CAN U.N. DO IT?

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If then the West, the democratic powers who now have administrative responsibility in South East Asia and such of their fellows as are powerful enough to make their voices heard internationally, if what we call democracy in fact is to live up to its frequent professions of disinterested regard for the future of these peoples, it must either foster among them this Communist trend or most propose an alternative solution which is in line with the facts. At the moment, leaving aside the practising advocates of colonial war still regrettably to be found among the European protectors of Indo-China and Indonesia, the common current runs, or rather meanders, in the general direction of recognising the accidental nationalisms of individual areas. Even here twin breakwaters of the occupational disease of administrator's paternalism and of the economic advantage to European entrepreneurs of turning nationalist movements as near to puppetry as is seemly silt up the stream. They are being worn away by a steady increase of turbulence in the current, a turbulence which bodes ill for the future.

But let the Colonial Powers take the very stones of their breakwaters, paternalism and self-interest, simultaneously to save their own real and justifiable interests in these territories, to spread by demonstration their belief in democracy as a valid alternative to Communism and above all to guide the present disruptive compound of political nationalism and economic unrest away from its present quasi-Balkan authoritarian forms. Asiatic Balkanisation and totalitarianism are at the end of the road along which the colonial peoples are now struggling to self-government; for the world's future someone must substitute, more urgently in seething South East Asia than anywhere, a development towards something like a free Federation.

Can the United Nations do it? The affirmative is hard to see. But there is only one alternative question: Can any lesser organisation? And here the negative is clear.

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## JAPAN RESURGENT

by O. M. Green

WHEN Japan collapsed in August, 1945, 119 of her cities and towns were wholly or partly destroyed:
4,500,000 houses wiped out; under one-sixth of the previous 12,000,000 spindles in her cotton-mills were workable; two-thirds of her mulberry trees had been cut down to make room for food-cultivation.

These figures enhance the extraordinary nature of the recovery she is now making. The stupefaction caused by defeat, which for a time paralysed all effort, has passed; the unexcelled Japanese faculty for hard work has revived. By last September Japan already had a respectable trade balance after paying for supplies from America. December she was able to accept orders for £10,000,000 worth of textiles from various countries of South East Asia. Her silk production last year totalled, according to a Japanese report, over £160,000,000, which it is hoped to double this year; contrary to expectation nylons have not affected the world's demand for silk, which is said to have largely increased. In addition Japan is exporting rising quantities of meteorological instruments, electric bulbs, bicycle parts, vacuum tubes, rice paper; she launched or completed 25 steel ships in November totalling 23,015 tons (small vessels, but it is remarkable that she could produce any); and her output of tin, lead, copper, antimony and fertilisers steadily mounts.

These achievements are, of course, tiny compared with the colossal output of the past. There is still much unemployment; vast numbers of the townspeople are still living in shacks patched up out of house-wreckage; and although crops have been good and the gap between wages and living costs is narrowing, under nourishment is still too prevalent. But seen against the background of the awful destruction caused by war, what Japan has accomplished

in so short a time is truly remarkable.

Japan has been fortunate in that it is a closed economy, and especially in not being split into conflicting zones like Germany, but taking her orders from a single authority. General MacArthur is unquestionably a dictator; the Allied Committee in Tokyo which is supposed to advise him is a farce; and some of his enactments can be criticised; one feels, for instance, that the Constitution over which General MacArthur is particularly enthusiastic is a little too perfect, too obviously written by Americans, and that it will eventually be modified to something more genuinely Japanese. But there can be no question that General MacArthur has done great work in Japan, sincerely seeking her future welfare. There is, indeed, a general belief that America, disgusted with her failure to bring peace in China, is in the mood to transfer her patronage to Japan and to back her strongly as the more promising factor in the Far East's recovery.

But it is the response of the Japanese people at large to General MacArthur's efforts to inaugurate a regime of genuinely democratic rights and liberties which specially attracts attention. At the elections last April, for the first time freed from police dictation and gangster terrorism, over 70 per cent. of the nation, a record number, voted; women, those traditionally patient submissive creatures,

turned out *en masse* and actually returned 80 of their sex to the Diet. Over 90 measures of varying importance were passed into law by November.

Political life, however, is still somewhat unstable. There are too many parties, divided by insignificant shades of difference, which need to be coagulated into two or three distinctive groups in order to attain the best results. Trade unionism, too, deliberately fostered by General MacArthur to develop the democratic sense, has been something of a Frankenstein's monster. There are over 7,000 unions divided fairly equally into three groups, right wing, extreme left heavily tinged with Communism and middle. Communism and Russian influence seeping down from the Kuriles are the peculiar phobia of General MacArthur and he has more than once sat heavily upon Red attempts to make trouble. Obviously the best answer is national prosperity.

The saving grace is that the Japanese, especially the peasants who number more than half the population, are not communistically inclined, while their devotion to the Emperor, although the Constitution reduces him to a merefigurehead, is higher than ever. By many informal visits to ruined areas the Emperor has striven to show that he identifies himself with his people's misfortunes; and although Nature has hardly endowed Hirohito with the qualities of a leader, as a symbol he may prove as useful to lead Japan in paths of liberalism as once he was to the soldiers for very different ends. In this connection, too, it is to be emphasised that the army (or rather the memory of what MacArthur has thoroughly smashed) is for the first time in Japanese history definitely unpopular. There is little doubt that Japan has learnt her lesson.

But everything will depend on the peace treaty. The vengeful cry that Japan must be for ever reduced to an agriculture-cum-fishing economy (on which her teeming millions could not have subsisted) has given place to a calmer sense of realities. But demands are still heard that she must be restricted to industries which cannot be adapted to war purposes.

In fact, the late war showed that there is practically no industry which cannot thus be transformed. Futhermore, it took Japan many decades and the expenditure of enormous subsidies to build up her war machine, which, stripped of her colonies and otherwise impoverished, it must be a very long time before she could even think of again. And it is certain that attempts to limit indefinitely her imports would very soon raise a prodigious outcry from those who formerly sold to her in America, Asia and elsewhere.

Above all it begins to be understood that virile, energetic peoples like Japanese and Germans cannot be cut out of the world's economy without hurt to all. The day must come when bygones are allowed to be bygones, and the sooner it comes the better. No one who knows the Japanese can have failed to appreciate their almost embarrassing gratitude for any kindness. It will pay the Allies richly to prove to Japan that, as they have been terrible in war, so they can be generous in making peace.

# The Commonwealth Forces in Japan

by Lt.-Col. E. M. King, M.P.

I SPENT three weeks in Japan in October last as a member of the Parliamentary Delegation in company with Brigadier Fitzroy MacLean, M.P., Commander T. D. Galbraith, M.P., Gordon Lang, M.P., and M. F. Titterington, M.P.

For two or three days we were the guests of General MacArthur, and after that we stayed with the British Ambassador. We travelled as widely through the country as time permitted. We were greatly impressed by the personality of General MacArthur and the speed with which reconstructional work was proceeding. None the less, it was impossible not to feel a twinge of regret that British influence in the country was not more evident. Many of us felt, too, the conditions under which British troops were living could well be improved.

Speaking for myself, I was led to doubt whether the British Commonwealth Occupation Force as then constituted and administered was worthwhile. Had we had resources and had it been our policy to do the job properly and on a fifty-fifty basis, there would have been much to be said for it. If, however, that were not possible, considered within the ambit of our civil and military commitments all over the world, then I questioned if either prestige or security could be enhanced by a force which was small, not over-well equipped, and situated in what was not always the most suitable location. Since we returned the British brigade has been withdrawn, and presumably now, British forces are represented only by the Royal Navy and the Royal Air Force.

These events must be taken in mind, when, as frequently happens, we are criticised for failing to exercise sufficient influence in Japanese affairs, or if, as more frequently happens, General MacArthur and American administration are criticised for ignoring the British viewpoint. We really cannot have it both ways.

If we will not accept responsibility we cannot expect power, and whether we ought to accept responsibility must be decided in the light of events which relate directly to the White Paper on Manpower recently issued, and to the economic realities which face Great Britain.

B.C.O.F. is, I believe, unique in its formation. It is the only integrated Empire force which exists. It is commanded by an Australian and on his staff were Australian, New Zealand, Indian and British officers, working on the whole harmoniously. The representative of the British Empire on the Allied Council is also an Australian—Mr. McMahon Ball—and it is apparent that Australian interest and influence in Japan in preponderant.

Perhaps in the idea that lies behind this force is the germ of a new development in Imperial and Foreign Policy. There is much that England by herself can no longer do. That the Commonwealth should redress the balance is sound policy from all our points of view.

## China Faces the Future

by Dr. Neville Whymant

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F all the nations engaged in the recent war, China fought longest and suffered most. Her suffering was not limited to one field; in every sense her losses were enormous. The war began for China in 1937 and ended in 1945. She thus fought for two years longer than any of her Allies and, for the first four years of her eight-year ordeal, she fought alone.

All the nations, victors and vanquished alike, now fix their eyes on the future. Many of them are still making balance-sheets as well as blueprints, though no balance-sheet can record some of the losses just as no blueprint can be depended upon to cover every detail in a proposed structure.

China, then, faces a future made more grim by protracted and crippling suffering and rendered more uncertain by the difficulties arising from unforeseen conditions.

Before the Japanese fell upon northern China in July, 1937, various departments of Academia Sinica (notably the Geological Survey) had been very active in preparing the ground for the putting into effect of the proposed international development of China as laid down some twelve years earlier by Dr. Sun Yat-sen. They had assessed the mineral wealth of certain areas with scientific accuracy and had handed over to the practical men, the engineers, the miners and the industrialists, the results of their researches. Schemes were then formulated and companies formed to undertake the development of those industries of which China felt so great a need.

The war put an end to most of these projects. For eight years the whole country was geared to war-time production and all else was left to be considered "after the war." This is not to say that plans were not made, even during war-time; it is merely to emphasise the dominant necessity as seen by China's leader and his associates, for vanquishing the enemy as a preliminary to full-scale development along the lines already laid down.

China has had many such experiences during her four thousand years of recorded history and she has learned one lesson which the West has still to learn: that no paper plan can be expected to work out exactly as it seems most likely it will while it is still in the theoretical stage. China has made many mistakes in her long history; even now she is accused, in some quarters of the West, of making serious errors in her efforts to alleviate the distress brought upon her 450,000,000 people by eight years of aggressive war and a constantly hindered attempt to set her house in order. For years before the outbreak of actual war, China was weakened from within by Japanese intriguers who, in true fascist style, began their penetration under the guise of "tourists" and "commercial agents." Men and women were suborned and whole areas were brought into the

sphere of Japanese influence long before the first shot was fired.

In 1931 the north-eastern provinces (commonly, but erroneously, called Manchuria) were seized by Japan as a preliminary to the conquest of the whole of China. In this area were China's greatest and most prosperous industries. rivalled only by those of coastal cities further south. But in the case of these latter, foreign capital played an important part and foreign companies seized most of the profits. By appropriating the industries of the prosperous north-east, Japan dealt her first serious blow at China.

With the occupation of all the eastern seaboard provinces by the enemy. China suffered the most crippling blow of all. None of her industries was left to her. It meant starting all over again in the far interior, with what had been salvaged from the advancing enemy and with such inferior

materials and equipment as were left.

So, in facing the future, China is not hampered by any wishful thinking. What in the West is frequently called China's slow tempo or laissez faire is but a sign of the caution which has led China to feel her way carefully when on uncertain ground, rather than rush forward to disaster on the wave of some preconceived notion of "the only

way."

Western countries would, therefore, be well advised to look for no spectacular recovery in China. The country (indeed the whole world) needs such recovery and needs it badly. But, that it may be sure, progress must at first be very slow. China has learned another lesson we have ignored—that all change is not progress. China's present condition is parlous, but there is no doubt that it could be much worse. It is vital that any change must be for the better and to ensure this China is prepared to suffer a little longer.

In all countries the people and their institutions are feeling the strain of years of war and calculated policies of destruction. In criticising China many Western writers fail to allow for the effect on her of those very conditions from which we ourselves suffer in no small measure as war's aftermath. We must see the picture as a whole and thus come to a realisation of the interplay of numerous factors. over which China has as much and as little control as we

have ourselves.

Robbed of her rich north-east, invested by a voracious enemy for over seven years, plagued by political and economic growing pains which are new in her experience, China has the hardest task of all the war-time Allies. Most of these had at least stable and traditionally firm governmental systems before the war; China has been struggling, ever since the Republic in 1912, to establish a secure government on a new basis. That she has never been left alone to accomplish this is a responsibility not only of her late enemy. Japan, but also of many Western nations who, in the past, had no desire to see a strong, united China.

China's blueprints for her future can be found in "The International Development of China" by Sun Yat-sen; and in "China's Destiny" by Chiang Kai-shek. neither of these, nor the two together, will enable the otherwise uninitiated Westerner to pronounce fairly or reasonably on China. She is too complex an organism for such oversimplification to succeed. She is compounded of centuries of cultural activity mixed with wide experience of all forms of government, save only the Western republican form which she has now chosen to essay. In that respect China is young and it is there that she needs the help and sympathetic understanding of friendly nations who fought by her side in the hard years of war.

China has always been internationally minded and her long history shows many a proof of the wisdom of maintaining such a quality. But now, in common with many another nation, China has become strongly nationalist, conscious of past exploitation. Those who know her best know that this is a passing phase; she will return to the wiser course again. In this too, as in her political unrest. China is a victim of the post-war malaise which is everywhere in evidence. Can anyone say with truth that he foresaw during the war years the political complexion and economic straits so plainly to be seen in various countries of Europe to-day?

China's confidence in her future is a direct result of her wide experience in the past. She looks calmly forward through the troubled haze which now enshrouds the reality because she knows she must survive to play her full part in the family of nations. As with Britain in the Dunkirk days. there is no idea in the mind of any Chinese that any circumstances can arise in which his country would cease to be or fail in its obligations. The need is now seen to be more pressing and there are plans to make speedy headway. But the going will be hard. China is prepared for that: all she asks of the West is patience and understanding equal

to her own.

## **Economic Machinery** of China

THE prolongation of the civil war in China cannot fail to have an adverse effect upon the reconstruction of the country's economy. The further drain on the resources will naturally defer many of the reconstruction target dates set at the time when the chances of avoiding civil strife were still substantial.

Despite these great difficulties it would not be right to visualise the situation in the territories controlled by the Nanking Government as one of complete economic disorganisation. On the other hand there is plenty of evidence that the planning and other basic organisations of Chinese economic life do exist and that they could be put in operation at a relatively short notice provided China were

given a chance of peace.

The principal planning agency is the Central Planning Board established in 1941 by the Executive Yuan. It is charged with preparation of plans for economic reconstruction. Its members are heads of the several ministries under the chairmanship of the Generalissimo. It collaborates closely with the Ministry of Economic Affairs, whose chief aim is to promote the industrialisation of the country.

Another important general economic agency is the National Resources Commission charged with promoting development and control of important mining enterprises, electrical power and key industrial works. The National Relief Commission supervises the work of all extra-governmental

and local relief agencies.

Of the many specialised bodies controlling the economic life in the agricultural sector worth mentioning are the Central Co-operative Administration and the China National Tea Corporation, the objectives of the latter being the general improvement of the tea industry, standardisation of brands and the marketing of tea. Within the silk industry similar tasks have been allotted to the Sericultural Improvement Commission.

In the field of the industrial and commercial activities an important role is being played by the National Resources Commission, mentioned above, and the China Development Finance Corporation. The C.D.F.C. directs the flow of foreign and domestic capital into new enterprises. It has been active in the extension of railways, reorganisation of industrial concerns financed by Chinese capital and in the promotion of the participation of foreign capital in

Chinese enterprises.

An extremely interesting part has been assigned to the Chinese Industrial Co-operatives (Indusco). These aim at developing of small industries on a co-operative basis to supply manufactured goods essential to the country's economy, and which could be produced by the use of local raw materials. A long-term aim of these co-operatives is to create a decentralised and co-operative industrial system in China.

The Foreign Trade Commission is in charge of the export trade, but apart from its purely commercial operations it effects collection, storage and transportation of export commodities. Further, it promotes improvement and expansion of products having export value, such as tung oil, tea, silk bristles and other commodities placed under

State control.

It remains to be seen what adjustments will be necessary in this set-up to meet the three serious crises now affecting China, viz.: the civil war, the collapse of the Nanking dollar and the impending end of UNRRA help.

## China's Women Today

by Joy Paget

As in most cases of women's emancipation, also that of the Chinese women has been precipitated by the immediate needs of war. China needed manpower in her long struggle against the enemy, and her traditional prejudices against women were shelved while the women stepped forward to take their place alongside men. They took part in nearly all phases of national defence, including guerrilla fighting and espionage. Now, they are at last recognised as a vital force in all fields of China's national life.

For there is now no question of their reverting to their former humble status—women's emancipation in China has come to stay. Their horizon has broadened and they like

what they see. Some, of course, have had to return to their homes, but home-life to-day presents a vastly different picture from that of a few years ago. Home now is a place where a woman has authority and a voice in the affairs of her household and where relationships between its members are freer, happier and less constrained. It has become a place where a woman can feel she is needed—not as a drudge, but as a mother who will look after her family and take part in its daily life.

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For those who seek careers, however, there is an everwidening choice and there are many openings for women. She may want to be a judge or a journalist, a playwright or a policewoman and her education and abilities will enable her to decide which profession she will follow. What is more, if she shows aptitude, the state will send her abroad to continue her studies. For China realises that without enrolling her women into the national life of the country, post-war re-construction will fail. China is developing so quickly that she cannot afford to disregard the part women can, and do, play in industry and the social services. They are responding magnificently to their new opportunities and will endeavour to surmount any difficulty that seems likely to interrupt their education, which sometimes means beginning the day at six o'clock in the morning

and finishing near midnight.

As in Western countries, marriage and motherhood versus career has its own problems. For some careers the choice must needs be a definite one, but on the whole the women manage to combine the two very satisfactorily. I know the case of a woman who, already the mother of two children, took the State examination for judges when she was about to give birth to her third child and found moving about very difficult. From the examination room she rushed to hospital where her child was delivered. She allowed herself only a month's rest before joining a judges' training class which necessitated living for six months in a training institute under semi-military discipline. Another example is that of a successful newspaperwoman who manages her home and her job. She began her career by contributing short stories to a Shanghai periodical, met the editor and subsequently married him. She had to decide whether to remain at home and look after the house and baby single-handed or to employ a nurse and continue her work. So much did she enjoy her work that she decided to employ a nurse for the baby and carry on with her newspaper job. Not all women are fortunate enough to be able to employ nurses but there is usually some relative who will mind the children while the woman is out at her job, so that it is usually possible for a woman to continue in her chosen career without renouncing marriage.

To an ever-increasing extent Chinese women are adopting Western ideas of dress and hair-styles. This is mainly for utilitarian reasons as their traditional costume is not conducive to the busy life so many women lead to-day.

No longer will the birth of a girl in the family be considered as a rather unfortunate event. The mother, possibly herself a successful career-woman, will share with her husband in the education and upbringing of their daughter who, thanks to the courage and hard work of Chinese women of to-day, can look forward to a full and happy life on an equal footing with men.

## MOLOTOV'S CHINA BOMBSHELL

by Boris Heiseler

T was a bombshell which Mr. Molotov hurled at the first meeting of the Four Power conference in Moscow, last March, when he proposed to discuss the situation in China. The Soviet Foreign Minister based his request on the Anglo-Soviet-American agreement, which was reached in Moscow in December, 1945, and which dealt with the need for a unified and democratic China, the termination of civil war, non-interference in China's internal affairs and the withdrawal of Allied forces from that country at the earliest date.

To put it plainly, in non-diplomatic language, Mr. Molotov wants to see the one-party Kuomintang rule go and be replaced by a broadened Government which includes the Democratic League as well as the Communists, resumption of peace negotiations between the Government and Yenan, and a withdrawal of all remaining United States troops, whose continued presence in China, the Russians believe, is unsettling any political development in the country. General Marshall, the American Secretary of State, was apparently sensitive on the subject of troops, for he immediately moved a counter-proposal on limitation of Allied forces in "ex-enemy" countries.

That the solution of the four points raised by Mr. Molotov is essential to the return of peace in the Far East is obvious, especially in the light of the latest events in China.

Fluctuating and inconclusive battles are being fought in Manchuria and Shantung Province. A complete break has occurred in relations between the Kuomintang and the Communists, whose last "peace" delegates were ordered to leave Nanking and Shanghai. Increasing difficulties encountered by Generalissimo Chiang Kai-Shek's Government were manifest by the resignation of Dr. T. V. Soong from the post of the President of the Executive Yuan. The mere transfer of the presidency over the Cabinet to Chiang Kai-Shek can, of course, not prove a remedy to all ills. If it had been Dr. Soong's lack of popularity which necessitated his retirement, one might say that by stepping in his place, the Generalissimo would solve the problem. This change of personalities, however, shall certainly not arrest the progressive economic ruin of the country. A drastic purge in Mr. Soong's administration is the least that is required if the change is to have any practical significance at all. Dr. Soong alone clearly cannot be blamed for discriminatory methods employed in the conduct of foreign business, which benefited certain monopolies to the detriment of all other interests. It has yet to be seen whether the Generalissimo will show himself more tolerant to his critics in the Cabinet and will, in matters of policy, not act over the heads of the People's Council and

the Legislative Yuan.

Politically, the expected formation of a Chineses Coalition Government, whose task it will be to lead China until the inauguration of the new constitution in December, 1948, is a step forward. In this Coalition Government, it is hoped, Young China Party and Social Democrats will be included, but the Democratic League and the Communists will unfortunately be left out.

Thus both in its spirit and its composition the Government will remain predominantly a Kuomintang affair.

The effect of successive corrupt administrations on a country whose whole economy is shattered by ten years of war, has been sapping what is left of China's vitality. The disastrous process, which is draining the country's life blood, has been aggravated by the civil war, the end of which can only be foreseen in the utter exhaustion of one of the opposing forces in some distant future.

It would be wrong to interpret Mr. Molotov's surprise proposal in Moscow as the Soviet desire to render help to hard-pressed fellow Communists across the border, and even less so to ascribe to him the intention of creating discord among the Allies for some "sinister designs" of his own. The Russians are genuinely alarmed at the spread of the war affected areas to their frontier, which they already consider nearer American military bases than they would like to see them. Add to this Soviet distrust of "capitalist" America, the knowledge that the States are equipping and training Chiang Kai-Shek's army—and the Russian anxiety is explained. Soviet uneasiness is betrayed in the frequent references made in the Press and radio on developments in China. Moscow radio gave great prominence to demonstrations held in Formosa against the prolongation of the civil war in China, and the official Soviet News Agency reported a speech by Tung Piu, before his departure from Nanking, where he was staying as a member of the Communist Peace Mission. In this he accused the Kuomintang of breaking by unilateral action the relations with Yenan, which had survived ten years of war. The action, he says, is designed among others to obtain open and substantial aid from the American Government. The same day Moscow radio reported proclamation of martial law in Tientsin. It is possible that Russian fears of being accidentally involved in the struggle that is going on between the American-trained and American-equipped army of Chiang Kai-Shek and the Communists are purposely exaggerated, but some concern on their part is at least understandable.

## THE INDIAN STATES AND THE FUTURE

By a Special Correspondent.

E shall respect the rights, dignity and honour of Native Princes as our own." Such was the language of Queen Victoria's famous proclamation to her Indian Empire in 1858. To-day, a date has been fixed for the withdrawal of British domination over India. It has been clearly affirmed that the paramount position of the Crown in relation to the States is to be surrendered. Naturally, the Princes are asking themselves where they will stand in the constitutional arrangements of the future. Too little attention has been paid in Britain to the importance of the Princes as a key to the present situation in India as a whole. From the merely arithmetical point of view, they cover nearly half the land area of India, and have a total population of about ninety-three million people. Furthermore, they are a vital factor because their system of personal rule, with all its faults, seems to be a much more truly part of Indian tradition than the most theoretically perfect democratic and parliamentary system in British India, which suffers from the disadvantage of being more or less closely associated with the idea of foreign domination. Another high card in the States' hand is their relative freedom from the curse of communal conflict between Hindu and Muslim.

Much play is often made of the fact that there are no fewer than 562 States, ranging from what, in Britain, would be substantial farms, to what are virtually countries of anything up to a population of sixteen millions. For practical purposes concerning the future of India, we need not consider more than the score or two larger States whose names, for one reason or another, have become familiar enough to the British public. We have been accustomed for many years now to think of the States as forming some sort of unit with a common point of view and a common line of policy. Broadly speaking this has been true in their common relations to the Paramount Power which has stood above them all. That they have been able to present this aspect of unity is in a sense a compliment to their administrations, especially if one considers the varying political structures of some of the States. For instance, in Hyderabad the Nizam is a Muslim Prince ruling a largely Hindu population. In Kashmir the Maharajah is a Hindu Prince ruling a largely Muslim population. And there are many varying grades between these two extremes. The Princes as a whole have in recent years adopted a consistently helpful attitude towards the aspirations of what, until June, 1948, will continue to be known as British India. Many leading rulers have made no secret of the fact that they shared those aspirations. The present Chancellor of the Chamber of Princes, the Nawab of Bhopal, who is rapidly coming to the fore amongst the statesmen of India, made a historic declaration at the Annual Session of the Chamber in January, 1946, to the effect that the Rulers would not unreasonably withhold their support from any scheme leading to the political emancipation of the country. When the British Cabinet Mission visited India in March, 1946, in an attempt to find a solution to the well-nigh insoluble Hindu-Moslem

dispute, the Princes took up a thoroughly helpful attitude. They accepted the Cabinet Mission's plan, with certain reservations, and a negotiating committee of the Chamber was set up to discuss with a corresponding body from the Constituent Assembly, the allocation of the ninety-three seats in the future Assembly which the plan had provided for the Indian States. The discussions started last February with the negotiating committee set up by the Constituent Assembly, although the Committee could hardly be regarded as representative of British India as a whole, since the Muslim League did not take part. It was soon found possible to reach a measure of agreement, and the two committees adjourned to draft detailed plans for the allocation of the Assembly seats. At the time the conciliatory attitude of the Princes in coming to this agreement was the subject of much favourable comment in the British Press, and was generally regarded as one of the few hopeful indications in a thoroughly gloomy outlook.

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When the two committees re-assembled in March, the representatives of the States were in a difficult position. For it seems to be futile to negotiate when Mr. Attlee's famous statement of February 20th has made is clear that the British Government would not recommend Parliament to accept any plan produced by a Constituent Assembly which is not fully representative. Yet the Muslim League, which whether we like it or not, broadly represents the Muslim masses of British India, is maintaining its refusal to take part.

What line are the Princes to take? Are they to allow themselves to become enmeshed in the tangle of communal conflict? Or shall they merely play a waiting game, taking their stand broadly upon the Pledge with which this article

began, and wait to see what the future holds?

It is, perhaps, not surprising that under the strains and stresses which at present are racking the Indian body politic, some of the Princes have not remained unaffected, and are responsible for the partial breakup of the unity which is one of the strongest cards of the Princes as a whole. Certain States have been conducting separate negotiations with the Constituent Assembly, which, in fact, means the Congress Party, and have announced their decision to take part in the Assembly. Other major States have indicated their intention to declare themselves independent when British Paramountcy is withdrawn if no agreement has been reached between the Congress and Muslim League.

Yet it seems that not only from the point of view of the States themselves, but from the point of view of India as a whole, precipitate action of this kind will be a grievous blunder. The strength of the States as a steadying force in the turmoil of Indian politics must lie in their unity and freedom from communalism. If they break the unified front and enter the communal arena on one side or the other as their personal preferences or interests may direct, they lose the supreme advantage of impartiality. On all counts there is reason to believe that the Princes will follow the advice of Mr. Asquith and "wait and see."

## CEYLON'S CONSTITUTIONAL PROBLEM

by Chitra Fernando

C EYLON became a British Crown Colony at the time of the Napoleonic wars. The country was ruled by the Governor, who was omnipotent in administrative, legislative and judicial matters. Ceylon's basic Constitution is to be found in the Colebrook Reform of 1833, which provided for the appointment of three Ceylonese to a Legislative Council with extremely restricted powers. In less than one hundred years the educational advances of the Ceylonese people were so great and their political consciousness was such, that a new Constitution was granted to them by Great Britain in 1931.

This Constitution, based upon the recommendations of the Donoughmore Commission which had visited the country in 1927-28, embodied the full elements of democratic government, but was still lacking in the important issue of full responsibility. It bestowed seven-tenths of self-government to Ceylon, and introduced the element of diarchy as well as universal suffrage. The present State Council was constituted with both legislative and executive functions, and an executive committee system was created similar to the one of the London County Council. The seven elected chairmen of the committees together with three Officers of State—the Chief Secretary, the Financial Secretary and the Attorney-General—constituted the Board of Ministers. The so-called nation-building subjects, e.g., education, local government, etc., were entirely in the hands of elected Ministers who were responsible to the Governor. The committee system created the idea of responsibilty in legislative and administrative matters. During the sixteen years of the working of the Constitution, great advances have been made in education, local administration as well as in the transformation of the whole social structure of the country.

The element of diarchy vitiates responsible Government. Cabinet conventions and practices have been developed in the last sixteen years, though even to-day the Board of Ministers by no means approximates to a Cabinet. Constitutional experts and Ceylonese statesmen have not thought very highly of the "Donoughmore Constitution," and from the very day it came into operation, there have been constant demands for reforms of a larger nature.

The desire of the Ceylonese for Dominion status was "appreciated by H.M. Government," and the demands of the people were partly met by the Soulbury Report, recommending "Dominion Home Rule," which falls short of Dominion status as reviewed under the Statute of Westminster of 1931. The new Constitution, which will come into force in the near future, gives Ceylon a full and ample measure of self-government. The Governor-General will have powers to make regulations for purposes specified in the Emergency Powers (Defence) Act, though the Soulbury Report recommended that the Governor-General should retain and reserve powers in matters of Defence and External Affairs. The Constitution itself states that His Majesty's Government will retain the power to legislate for

Ceylon by Order in Council. Thus, after all, the Governor-General still retains powers which, as long as they exist, prevent Ceylon from taking her place as a free nation in the British Commonwealth of Nations.

Under the new Constitution, Ceylon will be granted a full cabinet government, all Ministers of which will be chosen from the Upper and Lower Chambers. The Lower House will consist of ninety-five elected members and six additional members to be nominated by the Governor-General. Members of the Lower House will elect fifteen of the thirty members who will comprise the Upper House, the remaining fifteen to be nominated by the Governor-General. The creation of an Upper Chamber in addition to a Public Services Commission are designed to safeguard the interests of the minorities, but it must be said that minority or communal problems arise only during discussions of constitutional reforms. Representation in the

Council, even under the present Donoughmore Constitution, is based on territorial and not communal lines and this practice—one of the chief merits of the 1931 Constitution is to be retained in the future. In ultimate analysis, the true safeguard for the minorities is the goodwill of the majority. According to the last available figures (1931), the 3,473,000 Sinhalese share Ceylon with 1,500,000 Tamils, 32,315 Eurasians, 9,200 Europeans and 380,000 "others." Amongst these sections, it is that "community" consisting of an impressive set of unofficial Europeans which does most to hinder the economic and constitutional development of Ceylon. In other words, Ceylon suffers from the curse of the colour bar. One could not do better than to quote Dr. Jennings on this matter. He writes: "This is a special barrier, higher than that between Sinhalese and Tamils . . . The Europeans are anxious for the maintenance of the economic dominance of European capital. They fear for their jobs if there is any further measure of self-government. Their policy appears to be designed to emphasise and exaggerate whatever communal differences there may be, in the hope that, if the Ceylonese fall out, there may be a chance for honest Europeans."

The British Government explains that, in the past, Dominion status has been achieved by modification of existing Constitutions, and that the people of Ceylon must gain further experience. The people of Ceylon think otherwise. They have accepted the new Constitution because it is one more step towards the full realisation of complete independence and towards the evolution of a sovereign state. They feel that if India is fit for independence and Burma is fit for Dominion status, so is Ceylon. The ultimate Ceylonese aim is an alliance with Great Britain. Such an alliance between a Western and an Eastern nation must be on the basis of freedom and equality. It is not impossible, though it may sound ambitious. But then the people of Ceylon are an ambitious people. And they are unlikely to be satisfied with anything less.

## THE ORIGINS OF THE INDO-CHINESE PROBLEM

by Jacques Soustelle (former French Minister of Colonics)

THE events which have recently taken place in Tonkin, and particularly in Haiphon, are drawing attention again to Indo-China and to the arduous problems which confront the re-instatement of these territories into the French Union. It is worth while to recall their origin and to analyse certain facts which it is in the interest of world opinion to know.

In the first place, Indo-China is a "composite" country, or rather a federation of countries, which differ profoundly from each other by race, language, history and religion. Annam and Tonkin, which have been under Chinese influence for eleven centuries and are peopled by Mongol tribes, have nothing in common with Cambodia Khmer. which is Budhist territory where the influence of India has been preponderant, nor with Laos. In other words, all Annamites are Indo-Chinese, but all Indo-Chinese are not Annamites. The remainder of the story shows how recent has been the infiltration of the Annamites into what is known to-day as South Annam and Cochin-China-regions where powerful cultures prosper like that of the Kingdom of Cham, which owe nothing whatever to Mongolian influence. Lastly, the people of the high plateaux—those whom the Annamites annexed disdainfully calling them "Moi" or "Barbarians"—are mostly Khmers or Indonesians related to the Malays, and they consider the Annamites as invaders.

It can be understood why a federal conception has always appeared to be the only feasible one for Indo-China, in order to avoid the oppression of any one of these peoples by another, and to allow the free developments of each of them. Viet Nam is an Annamite and, above all, Tonkinese state, but it is not Indo-China. Hanoi cannot speak for Pnom-Penh nor for Saigon.

In the second place, any appreciation of the Indo-Chinese question is necessarily inexact which does not take into account the events which took place between 1940 and 1945. Placed entirely under Japanese domination, Indo-China had seen the expansion of French influence and then its disappearance, when on March 9th, 1945, the Mikado's army and police-force threw nearly all the French into prisons and concentration camps.

The Japanese fostered the development of the Annamite anti-French movements, particularly during the last year of the war. Sensing the approaching end, they hoped to leave several "delayed action" bombs under the feet of the Europeans. The Viet-Minh party or rather confederation of predominantly communist parties (M. Ho Chi-Minh himself, under the name of N. Guyen Ai Quoc, was the leader of the Annamite communists), profited by this Japanese support. This does not mean that their aims

were pro-Japanese but that their nationalism would put up with anything, however distasteful. The other Annamite parties, notably the Dong Minh Hoi and the V.N.Q.D.D., turned rather towards China. Under these conditions the Japanese obtained their desired results. Numerous Japanese Army officers entered the Army or the guerilla forces of Viet-Nam and their activities contributed powerfully towards the maintenance of anti-French agitation.

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Finally, the third point one has to remember, is that the French Government has shown, I believe, great foresight in recognising well before the fall of Japan, that the victory of the United Nations in the Pacific would not necessarily mean the re-establishment of the old colonial order which existed in 1939. It was my privilege to collaborate in the drafting of the so-called "Declaration of the 27th March, 1945," which laid the basis for the formation of a federal Indo-Chinese State within the French Union. Nearly a year later, in the course of which the political and, above all, the economic life of Indo-China greatly deteriorated, this Declaration was followed by an agreement between France and Viet-Nam-on 6th March, 1946-concluded at Hanoi between M. Ho Chi-Minh and M. Sainteney, the French High Commissioner. The text of this agreement, freely negotiated and signed by the two participants, recognised the existence of the "Republic of Viet-Nam" as a member state of the Indo-Chinese Federation and of the French Union. Thus the federal principle was ensured. the sole guarantee of the autonomy of the Indo-Chinese country and of French lives and interests.

Several weeks later M. Ho Chi-Minh was received in Paris with all the prerogatives of a head of state, and the Conference of Fontainebleau was opened. It reached a stumbling block almost immediately because of claims of Viet-Nam which were incompatible with the agreement of 6th March as well as even with the spirit of all the negotiations: France could neither allow the Hanoi authorities to seize in effect Cochin-China without a plebiscite nor could she admit the repudiation of the federal principle. Negotiations dragged on and during that time the extremist faction of the Viet-Minh party perpetrated innumerable acts of violence in Cochin-China: sabotage, attacks and reprisals against Cochin-Chinese suspected of Francophile tendencies. To put an end to these outrages, M. Ho Chi-Minh and the French Colonial Minister signed on the 14th September, 1946, a "modus vivendi" which, without settling questions of principle offers the great advantage of tackling realistically and solving the most urgent factual problems: The establishment of law and order in Viet-Nam, education and cultural activities, monetary and tariff unification in Indo-China and the cessation of all acts of hostility in Cochin-China.

## VIET-NAM WANTS FREEDOM AND PEACE

by Dang Chan Lieu

HROUGHOUT the war, whilst the French in Viet-Nam and some Viet-Namese opportunists, beguiled by Japanese propaganda, were co-operating with the occupants, the nationalists inside and outside the country did their utmost to help the Allies and to put a spanner in

the wheels of Japanese military machinery.

In August, 1945, the Asia of the Rising Sun crumbled, and the Viet-Nam nationalists proclaimed the Democratic Republic of Viet-Nam. Emperor Bao Dai abdicated with good grace. A sincere patriot, Ho Chi-Minh, who has an eventful past of revolutionary activities, and who enjoys the unanimous respect of the people, became President of the First Republic in Viet-Nam's four thousand years of

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The Allied armies moved in to dispose of the Japanese. In the South of the 16th parallel, the British, apprehending disastrous repercussions in their Asiatic Empire, allowed the French in to depose the Nationalists. In the North, the Chinese were more concerned with the material advantages of their position than with politics and followed, as benevolent spectators, the evolution of Viet-Nam self-rule. When the time had come for the Chinese to withdraw, the French saw no other alternative than to sign a Preliminary Convention recognising Viet-Nam as a free state with its own Parliament, Army and Finances, in exchange for Viet-Nam's acquiescence in being occupied by 15,000

French troops, in some defined areas.

If the status of a free state was something of a step forward for Viet-Nam, its unity was unsettled by the Provisional Treaty. As the control of the southern province, Cochin-China, was in the hands of the French, they were understandably reluctant to hand it back to Viet-Nam, and a proviso by which a referendum was to be held to decide on the question was the formula of compromise. But it was not long to be mooted in a Preparatory Conference at Dalat in April-May, 1946. The Viet-Nam conception of a free status with its commitments and privileges was radically different from the French one, which was much more limited in scope and implications. The Cochin-China issue proved an unsurmountable stumbling block. The two delegations dispersed without reaching any satisfactory solution except on cultural, economic and customs problems. In the meantime, the Nationalist guerrillas in Cochin-China sporadically went on fighting French troops. In June, 1946, as a Viet-Nam Delegation was on its way to France for final talks, Admiral d'Argenlieu, French High Commissioner for Indo-China, proclaimed a Provisional Autonomous Republic of Cochin-China, with a wealthy rice merchant, Dr. Thinh at its head. By this manoeuvre, the French colonialists showed their hand. The Franco-Viet-Namese Conference opened, however, on July 9th, 1946. Its tasks were tremendous and the cleavage between the French views and the Viet-Namese ones was wider than ever. Cochin-China came up as the first subject to be coped with, but the French delegates put it off deliberately, though procrastination is by no means a way to solve problems. Sterile discussions were raised on Viet-Nam's diplomatic representation, Indo-Chinese Federation and

Federal Defence.

On August 1st, 1946, Admiral d'Argenlieu called a separate meeting in Dalat, in which representatives from Cochin-China, South Annam, Laos and Cambodia could state their views on the Indo-Chinese Federation. The fact that Cochin-China had been granted an autonomous rule and that she was summoned to a conference to work out her own status within the Indo-Chinese Federation merely deprived the Fontainebleau parley of its main object, and it was precisely the reason why the Viet-Nam Delegation asked for a sine die suspension of the conversations. Many attempts to resume the conversations brought forth no fruit and just before the Viet-Nam envoys left Paris. Viet-Nam's President, then a guest of the French Government, concluded with M. Moutet, France's Colonial Minister, a "modus vivendi," on 14th September, 1946. The bone of contention. Cochin-China, was untouched. An independent consular representation for Viet-Nam in the neighbour states, the safeguard of France's cultural and economic interests, a customs union and a federal currency were all that resulted from the negotiations between the two statesmen. And even the agreements that they had elaborated had to be implemented by mixed commissions to be appointed in Indo-China. Cessation of hostilities in Cochin-China was to come into effect on October 31st with a view to creating a favourable atmosphere for further dealings, and the cease-fire order was given and carried out at once by the Nationalists in Cochin-China. Prospects of a better understanding seemed very bright during a short spell of two weeks, during which nevertheless the mixed commissions provided for in the document existed only on paper. On November 19th, 1946, sudden clashes occurred between French and Viet-Nam troops. creation by the French of a Customs House to check Viet-Nam foreign trade through the port of Haiphong, was the cause of the conflict. Patient negotiations of a mixed liaison body brought about a practical truce on November 23rd, though in the meantime a sudden move of the French troops at Langson, a strategic locality in Tonkin, provoked new reaction from the Viet-Namese. Fresh fighting flared up after General Morliere, acting French High Commissioner in Tonkin, had received a cable from General Valluy, acting High Commissioner for Indo-China and then on duty at Saigon, to put down mercilessly the "insurgents." Uneasy and very short breaks just gave the antagonists a breathing space, and on December 19th the unrest exploded throughout Hanoi and the main towns. Charging the Viet-Namese with a "treacherous attack"the eternal pretext of the wolf against the lamb—the French made use of all the most destructive weapons at their disposal to strafe the Nationalists. Reinforcements were continuously rushed to their former colony and priority for transport was granted to troops to the detriment of food imports and economic reconstruction at home. Meanwhile, the President of the Viet-Nam Government indefatigably sent out peace offers which were deliberately disregarded. When M. Leon Blum, the famous Socialist leader, assumed power, he dispatched M. Moutet and General Leclerc to

investigate the crisis. M. Moutet was magnificently received at Saigon by the successor to Dr. Thinh who had committed suicide because, according to his own confession, he was tired of being a French puppet. After a two-day stay, the French Minister delivered an inflammatory speech in which he uttered his accusations of Viet-Nam's responsibility. Preceded by Admiral d'Argenlieu to Hanoi, M. Moutet spent another couple of days there. Ho Chi-Minh broadcast an invitation to him for a meeting, which M. Moutet considered as not formal enough to be given serious consideration.

After his return to Paris, his report to the Government was not made public. But his report to the Comité Directeur of the Socialist party, to which he belongs, encountered a sharp opposition from M. Leon Boutbien, a member of the Comité, who accompanied him as his assistant on the

extraordinary mission to Indo-China.

At the beginning of February, Cochin-China was formally proclaimed a free state, member of the Indo-Chinese Federation and the French Union. Legislation pending the election of a National Assembly through universal suffrage, was entrusted to the French installed provisional government and a council appointed by the French authorities in Indo-China, which was made up of French officials. Once more the French government lent itself to a policy that it seemed not to approve of openly. The latest statement from M. Moutet made it plain that a policy of force must be pursued though no opportunity of negotiations President Ho Chi-Minh, in another would be missed. appeal, put forward the conditions for the resumption of negotiations. He asked that French troops take up their positions of the 6th March, 1946, and reasserted the will of the Viet-Namese to be politically independent, and their readiness to resort to France's help in economic and cultural spheres.

A strict war-time censorship has now been reimposed on Press dispatches from Indo-China. This only gives evidence of the seriousness of the situation and hints at

the guilty conscience of the French.

According to M. Leon Boutbien, of whose fairness there can be no doubt. France cannot afford a costly and extremely unpopular colonial war. Politically, it is simply idiotic and economically it will strike the last blow to her despondent internal economy. The fact that the Viet-Nam struggle for independence is only an incident in the general awakening of Asia, will place France in a more intricate position, now that even Great Britain seems to realise that any attempt to stem the upsurge of Asia's nationalism will only embitter and enhance its determination to be free from Western Imperialism. It is likely that the recent replacement of Admiral d'Argenlieu as High Commissioner in Indo-China, can be regarded as a sign that France willagree to a renewal of talks with Viet-Nam when she has gained symbolic control of Viet-Nam's main towns. It is actually impossible to maintain a firm grip on a country of 300,000 square miles with a little more than 100,000 troops. In view of these conditions, even if France soon gives up her policy of force and adopts a more comprehensive line, she will be criticised for not having done so earlier, to save some thousands of human lives and a great amount of material damage.

# Educational Problems in Burma.

THE elections in Burma have precipitated discussions among Rangoon intellectuals as to the fate of education in their country. It is being realised more than ever that, with the passing of the Government into the hands of the Burmese themselves, they will have to face the problem of raising many highly qualified administrators and civil servants. The students of to-day will be the leaders of the future, and the social and economic progress of the country will to a large extent depend on the present educational facilities.

Burma has suffered most amongst the countries of South-East Asia from the ravages of War, and her educational situation is consequently extremely critical. About 30 per cent. of the school buildings in all urban areas have been destroyed, and nearly 40 per cent. of the remainder were badly damaged. Nearly all libraries in the country were destroyed and laboratories denuded of their equipment. The estimated damage to schools amounts to £350,000 apart from the £500,000 worth of destruction done to Rangoon University. Before the war, the University of Rangoon maintained a very high standard in the training of its 2,300 students, and now, after a five-year period of enforced intellectual inactivity, the demand for educational facilities is greater than ever. Already, over 2,000 students have been admitted for the first session in over-crowded classrooms and under most inadequate equipment condi-

One part of the University buildings, the Teachers' Training College, was entirely destroyed as a result of bombing, but the most serious loss is that of the University Library, which was burned down and whose 200,000 volumes included irreplaceable Burmese and Tibetan manuscripts. A major calamity is the loss of scientific equipment. The University is largely dependent on Government grants, and funds for its re-equipment are difficult to find. Yet even if it were possible to provide the necessary finances, the difficulty to procure deliveries of specialised scientific equipment would still remain a problem. Efforts, are being made now, with the help of UNESCO, to re-equip the laboratories, and Burma is said to obtain books and apparatus from Japanese Universities which have not been damaged during the war, by the way of reparations.

The University of Rangoon is situated just outside the city by the pleasant shores of the Victoria Lake, and covers an area of 600 acres. It was established in December, 1920, yet for over 25 years before that date, there were two Colleges in Burma affiliated to Calcutta University. Its existence, before the war, has contributed prominently towards the further raising of literacy in Burma, which was always comparatively high, but its supreme mission is about to begin now, and it is to be hoped that international help will enable its earliest rehabilitation.

# The South Pacific Commission.

By W. P. Goodwin.

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N February 6th, 1947, representatives of Australia, France, the Netherlands, New Zealand, the United Kingdom, and the United States of America—the six nations concerned—signed an Agreement in Canberra to set up a South Pacific Commission. This Agreement, which will be registered with the United Nations, was reached for the purpose of encouraging and strengthening international co-operation in promoting the economic and social welfare of the peoples of the non-self-governing territories in the South Pacific.

The conference was held at the invitation of the Australian and New Zealand Governments and the Agreement will come into force immediately the six Governments concerned notify their approval. The Commission will be concerned almost exclusively with the Melanesian and Polynesian peoples—who inhabit an area of 363,400 square miles of island territory with a total population of nearly 1,800,000—the major portion living in the territories administered by Australia. It will consist of twelve commissioners, two being appointed by each Government. The Commission will be a consultative and advisory body to the Governments in matters affecting the economic and social development of the territories within its scope.

The Agreement sets out the following principal powers and functions for the Commission:

(a) to study and recommend measures for the development and co-ordination of services affecting the economic and social rights and welfare of the inhabitants of the territories concerned;

(b) to facilitate research in scientific, technical, social and economic fields by means of full co-operation between the various research bodies;

(c) to provide technical assistance and advice for participating Governments.

In view of the special importance of research for the carrying out of the purpose of the Commission, the Agreement provides for the establishment of a Research Council as a standing advisory body. Members will be appointed by the Commission from persons distinguished in the fields of research, health, and economic and social welfare—who will devote their full time to the Council's work.

In order to provide a forum for discussion of South Pacific problems and to co-operate with the representatives of the local inhabitants, the Agreement allows for the establishment of an advisory South Pacific Conference as an auxiliary body to which each territory is to appoint at least two delegates. The functions of this Conference are to discuss matters of common interest and to make recommendations to the Commission.

Apart from the outstanding achievement of reaching agreement without a single difference in principle, the attitude of the participating nations was indicated from the beginning by the high level at which delegates and advisers were chosen and by the high percentage of those specially qualified by their knowledge and experience to speak with authority on native affairs.

Much needs to be done in the Pacific Island territories. Most of the islands are assets, although few are rich prizes. Most were financially self-supporting until war came to them, but several require small annual subsidies. Many have important natural resources capable of development and they offer small, but growing, markets. As a result of the Japanese invasion, large parts of the region were devastated, while the economic structure of the unoccupied islands was affected by the difficulties of production, trade and transport and by the presence of large numbers of troops.

To-day, matters of native welfare provide many urgent problems of administration, health, education and economic development. Moreover, the native peoples are still in the process of evolving from their traditional cultures to the habits and practices of the modern world. They present, therefore, an array of experiments in change and readjustment, of great importance in the government of dependent peoples. The South Pacific Commission is commencing under the best auspices to tackle a job eminently worth doing.

## F.A.O. Mission to Siam.

THE Siamese Government have requested the Food and Agricultural Organisation (F.A.O.) to send a mission of experts to study and make general recommendations on the agricultural situation in Siam. The request specifies that the mission should consist of experts on rice production, cattle-breeding, irrigation and forestry, and draws attention to the fact that through such aid "greater production of rice in Siam could be accelerated for the urgent need of the starving world." The F.A.O. has agreed to send a mission which may be ready to leave by autumn, and discussions as to its scope, composition and financing are now in progress.

It is believed that Siam is also seeking expert advice in order to re-organise her exports of rice, which amounted to 1½ million tons before the war, without peril to her paddy seeds for next year's crops. Black market and illicit exports to China and Malaya, which are seriously crippling the country's economy, may have been checked by the autumn. In the meantime, Siam is participating in the Rice Study Group which is taking place in India during this month. Called by Sir John Boyd Orr, Director-General of F.A.O., the Group consists of the major rice-producing and consuming countries of the world: China, France (for Indo-China), India, Netherlands (for Indonesia), Siam, Philippines, United Kingdom (for Burma, Ceylon and Malaya), and the United States (for Japan and Korea).

## AMONG THE KARENS

by Saw K'Pi

BEHIND the town of Moulmein there is an elongated, of feet above the brown tidal waters of the Salween but isolated, hill from whose summit, some hundreds river, can be seen the great barrier of the Dawna Hill Range—a succession of tumbled peaks rising to over 6,000 feet and extending southwards to far-away Malaya.

These forest-covered hills are sparsely inhabited by Sgaw Karen, who obtain their living by cultivating small isolated patches of soil wrested by prolonged effort from the jungle. They are a pleasant people, timid but not cowardly. Few could read or write when I first went to live amongst them, and in worldly goods they were indescribably poor. They made up for this, however, by their honesty, friendliness and brotherly sociability. They are natural animists, full of superstition and folklore. One of their folk tales attributes the origin of the Salween to the activity of a huge snake which emerged from the sea and wriggled inlanddepositing eggs on its way which hatched and formed various tributaries. It is of one of these—the Thoungyinthat I write. Down this river thousands of teak logs were floated annually to the saw mills in Moulmein and as numerous rapids and rocky obstructions made the waterway extremely hazardous, a herd of trained elephants followed the tail of the timber down to the parent river the Salween. This was a daily task which commenced each September with the lessening of the rainfall and went on until March, when the hot season began.

One year, as the "Aunging," as this work was called, came to an end, I decided to explore the rapids of the great Salween, in particular the "white waters" of Hat Gyi. I had been unable to obtain first-hand information about the real conditions in this rocky forty-mile stretch of river. but from all accounts the trip appeared to be not without risk and so I invited volunteers to accompany me and to navigate the rafts. David, my head man, thought the adventure very foolish, but as always, had no intention of allowing me to go without him. He was a typical Sgaw Karen from the Dawna Hills, short and muscular and tattooed from knees to throat with strange designs. He selected ten good swimmers to man the three rafts we were taking, and we soon embarked our necessary supplies and. after having arranged to meet the remainder of the elephant party within a week at their rest camp, we cast off on the swift-flowing river.

On either bank, the forest-clad hills rose abruptly. In some places the rocky bank was a sheer precipice and in others collections of rock and stones formed a kind of shore. The sky was a deep blue, the waters steely dark. The rocks varied from reddish tints to jet black, and the forest colourings included every imaginable shade of green and brown. The breadth and power of the river, the height of the hills and massive rocks was overwhelming.

The gentle splashing of water against the raft and quiet singing of my companions had taken my attention from navigation and it was some time before I realised that we were being swept along in mid stream at a surprising rate. We passed through several rapids, none of which was any more fearsome than those in the smaller Thoungyin, but about midday we were caught in a backwash in which all three rafts were carried by the swift current round and round until eventually all met in the centre of a swirling gulf of revolving and bubbling waters. Here we remained until, by some sport of the current we were carried within reach of a protruding rock, and David was able to spring ashore with the mooring rope. The rafts drew alongside the bank and we camped there for the night. It was very cold in the gorge next morning when we started off again, for the dripping mist had not lifted and the sun was screened behind the hills. It was necessary to cross the river and regain our "home" bank and our struggles in doing so soon made us forget the cold. We passed through a succession of rapids which almost made my hair stand on end. Each rapid appeared to increase in unpleasantness: waves several feet high swept the rafts from flooring to roof post. Everything was awash and we had to cling on to anything we could find to hold, until finally all our food went overboard, followed by blankets and spare clothing.

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Whilst we were recovering from these almost continuous battles and were hugging the home bank as closely as possible, we gradually became aware of a distant murmuring, which increased in intensity until it almost overwhelmed the splashing of the nearby waters. Far ahead we could make out a tumbled pile of white water at a spot where the river grew narrow. Little by little the rafts were brought alongside the bank. Leaving a small party behind to release the rafts when they judged that we had reached the rapid below (for I hoped to obtain photographs of our craft as they were being swept over the falls), we began to make our way along the bank. Long detours had to be made to avoid steep precipices and the jungle was thick with obstructing undergrowth and rocky outcrops. By water, the distance was not more than two miles, but our party covered much more before we finally emerged among the rocks, reeking with spindrift strewn beside a mighty maelstrom of thundering and tumbling waters. The steep hills had drawn closer together and the swiftly moving water was forced into a pile which lifted itself some twenty feet before it overbalanced into an angry pool below. It was an awe-inspiring sight, and one which fully repaid the excitement and adventures we had experienced.

At the rapid, we found human life in full swing. Most of the members of the village on the hillside, together with the headman Pa Kywa, were busily fishing. Wearing the minimum of clothing and dripping with spray, they hurried were leaping the fall—there must have been thousands in each of the solid columns which left the foaming waters as if shot from a fire hose. Many of them cleared the rocks and fell into the calmer water above, but hundreds failed and fell back into the current or between the rocks. The Karen possessed time-old knowledge of these migrations back and forth from the water's edge. A "run" of fish and had fitted curiously shaped nets between the rocks to catch the silvery, flapping fish. In the intervals between the runs the catches were carried to flat rocks and split open to dry in the sun.

Whilst we were enjoying these unusual proceedings our three rafts came in sight, heading straight for the centre of the rapid. The first two entered the very centre of the swirling current and completely disappeared into the pool below—the last one "took the jump" broadside on and was rolled over and over until it, too, disappeared in the turbid water. Nothing more was seen of the rafts until, far away down the pool wreckage rose to the surface, and from that distance, it seemed as though no two bamboos remained bound together—it was as if the contents of a gigantic box of matches had been dropped into the centre of the pool.

The fish continued their attempts to leap the river—the Karen chattered with joy as they collected their catches and so the carefree hours passed until it was time for the villagers to collect their belongings and return to their homes—situated some thousand feet up the hillside. We packed up also, and scrambled and slithered up the rough hill path to the collection of bamboo houses.

Unlike some of the other hill people of Burma, whose one house shelters a whole village community, the Sgaw Karen families live in separate houses, and there were some ten or twelve of these in Pa Kywa's village. They were typical to the hill Karen, being built entirely of bamboo from the ridge of the roof to the posts on which they stood, and not a nail, or even a piece of cord was used in their construction. They all followed a common plan—the floor was about six feet above the ground and a ladder led up to the house. An open verandah, where bamboo water containers and other household vessels stood, jutted from the inside room, in the centre of which an open fire burned. Around this fire the family could squat or recline and here the unmarried youths slept. Two rooms led off from the back of this living room and formed the sleeping quarters of the parents and the unmarried girls of the family. The walls of the houses being made of split bamboo admitted all the winds of heaven, and the interior was always dark, as lighting facilities were confined to smoky wood-oil torches. The verandah of Pa Kywa's house was made tidy for me. There was no furniture, of course, but a rather bulky parcel was rolled to one side to make more room. After I had eaten, I wrapped myself in my blanket and soon fell asleep. I awoke once or twice to hear sounds of merriment coming from the other houses—no doubt the villagers were giving my followers a royal welcome as visitors to this remote village were very rare.

My coffee was brought before dawn, and at the same time Pa Kywa asked permission to remove the parcel from beside my blanket. I stood aside whilst this was being done by a cheerful but somewhat dilapidated squad of villagers. The bundle was rolled across the floor, bumped down the ladder and carried away with much chatter and laughter. Before Pa Kywa left the house, he asked me to stay another day and attend the funeral. "Whose funeral?" I asked. "His" he replied, pointing to the bundle, in whose close proximity I had passed the night. As David and my men wished to stay, I agreed, particularly as they all looked rather haggard after their night's celebrations.

Some Sgaw Karen bury their dead and some burn them. This funeral followed the usual lines of a Karen cremation. The corpse, covered by a bamboo mat which left the face exposed, was placed on a heap of kindling wood. The villagers, a little the worse for wear, for deep convivial drinking is an important part of the ritual, danced in slow hops and steps around the funeral pyre. The old man's wife—a grey haired grandmother—club in hand, was in charge of the ceremony, keeping the fire burning until the last rites had been completed. The unburnt remains were collected and handed over to the relatives for the final burial next day. With these would be buried the old man's personal belongings such as tools, clothing and cooking utensils.

At daybreak next morning we said farewell to Pa Kywa and his villagers and struggled up the two thousand feet or so to the crest of the hill. Like most hill people, the Sgaw Karen take the most direct line between two points. If this happens to be over a hill ridge, however steep, his path leads straight up to the highest point and down the other side. His routes may be wearisome and rough but his sense of direction is as natural as that of migrating game. The rising sun was topping the hills when we reached the summit and a last backward look at the Salween left the impression of an archipelago of forest-covered peaks rising from a level sea of white mist. Between the immense boles of the wood-oil trees, beams of sunlight filtered through and one fell upon a magnificent sambhur stag standing motionless in a narrow patch of open forest. The cheerful chatter of my party disturbed him-for he suddenly dived down the steep hillside like a mountain goat—one crash and he had gone. After slithering down steep and rough hill tracks, we were all glad to reach the foot of the hill range which divided us from Pa Kywa's village. We crossed the well trodden pass which leads through the main Dawna Hills to the cultivated plains around Moulmein. This is the most easily negotiated of all the Dawna passes, a fact that did not escape the keen investigation of the Japanese Military Intelligence, for it played a considerable part later in the outflanking of the handful of our tired men, who strove to arrest the enemy in their attempts to cross the Salween lower down.

We were now back again in our own valley of the Thoungyin River and it took us little time in covering the distance to the pre-arranged meeting place, where our

## ARCHITECTURE IN INDIA

by W. P. Batley, A.R.I.B.A.

"Architecture has its political Use; public Buildings being the Ornament of a Country; it establishes a Nation, draws people and Commerce; makes the people love their native Country. which Passion is the original of all great actions in the Commonwealth."—Sir Christopher Wren.

NDIA moves irrevocably towards a new mode of life. In its framework the architect should be a potent force tending to weld up the jagged edges of cultural and racial cleavage. While most old buildings of India have a more or less sectional significance; for example, temples, mosques and palaces, architecturally all these form part of a common building tradition without which it would not have been possible to produce buildings such as the virile Buland Darwaza at Fatepur Sikri, Rani Sipari's perfect little mosque at Ahmedabad, and the Tai, which are some of the

chief glories of India.

If India successfully evades civil war, the new architecture will not only be Indian in an even more representative sense than hitherto, but will provide high standards of life and comfort for the majority instead of for a very small minority. Few countries, however, are in such need of corporate and individual education and achievement. Every factory, office, school or other building in which Indians may work amicably (as they do) side by side, forgetful of the castes and creeds which are the basis of political dissension, is another stone laid in the edifice of the

It should be a fine architecture, this new style which is evolving. In Europe to-day the high cost of labour and materials is responsible for an ever-increasing urgency to use the most economical forms of construction. In India, labour and materials are cheap. Though in the West we progress in the understanding of how to create the best environment for people to live in, large buildings, especially, have a tendency to become more and more box-like, with thin outer walls carried on steel framing; it is becoming increasing difficult for the Western architect to get that play of light and shade which makes old buildings so interesting. India escapes much of this disability; the climate demands deep overhanging eaves, verandahs, projecting balconies, weather-shades over windows, louvred shutters and pierced screens of stone or other material. All these elements lend themselves to decorative treatment and cast fine bold shadows. This new traditional, yet thoroughly modern style has already established itself. India, at present, is largely copying the West in architecture, as in other things, but this has already become part of the Indian tradition, just as the Saracenic style introduced by the Moghuls and other invaders from Persia and farther afield became distinctively Indian. Many Indians continually press for a rejection of external influences, and, in fact, deny that any real good ever came out of the West that did not originally come from the East! For this reason, may I quote India's sage and poet, Rabindranath Tagore:

Did Providence allow her (India) to make the assertion that the history of India was the history of the Hindus? No. For

while in Hindu India the Rainfits were busy fighting each other in the vanity of a suicidal competition of bravery, Mussulmans swept in through the breaches created by their dissensions, and scattering themselves all over the country, they also made it their own by living and dying on its soil. If now we try to draw the line here, crying "Stop! Enough! Let us make the history of India a history of Hindu and Muslim!' will the Great Architect who is broadening out the history of humanity in ever increasing circles modify his plan simply to gratify

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"Europe now has her lamp ablaze. We must light our torches at its wick and make a fresh start on the highway of time."

It is said that Clemenceau, "The Tiger," was once shown around the seven Delhis which have successively been laid out on the banks of the Jumna. Asked what he thought of the New Delhi, he remarked sardonically, "It will make a fine ruin!" We hope not. Though much of the architecture there could be improved, the best of it is noble and expressive and is notable for its serene blending of Western and Eastern styles. And there have been too many ruins. The mistakes of an architect cannot, however, like those of a doctor, be buried. If India is to have architects of the quality and in the numbers she will require, she will have to enlarge considerably her present facilities for architectural and technical education. The architect is, in these days of ever more complex and expensive buildings, the controller of many technical activities. He must combine the practical man and the artist and must hold the balance between tangible and less tangible gain. He must study the past without sentimentality, yet bring it alive with the idea of carrying forward into the present and future as much of the commonsense, the richness, the colour, the zests and peacefulness of less complex times.

The world has an economic interest in India's technical development. Before the war Indian industrialists were finding that their employees would work briskly for long hours in air-conditioned factories, while outside the old life of India moved sluggishly on in the heat. While the mills of Ahmedabad grew apace in a city which was as large as London in the days when King James I sent his envoy to Aimer, Manchester lost her Indian markets to a great extent. This is a sobering thought in countries where industrialisation has won a high standard of living based on international trade, but the solution will be when ultimately the Indian has come to demand as necessities what are now regarded as luxuries, and won for himself a comparable standard of living. Until then the technical

lead of the West will have to be maintained.

In the meantime we have good reasons for studying the architecture of this vivid land. If we look beyond the picturesque and the exotic, we see a superb flair for decorative artistry which, manifesting itself, for example, 1,500 years ago in the gay yet restrained frescoes of Ajanta, is alive and in the same developed tradition to-day. In the siting of their buildings and their suitability to hot climates, in their appreciation of the decorative uses of water and of grand manner planning and, to the architect, above all in their use of materials and colour, there is much to learn and re-apply.

## SCIENCE AND INDIA

by Rupert Butler

THE Delegation of Indian Industrialists who toured England and the United States in 1945 issued a report in which the following sentence stands out: "We have come back more than ever convinced that only by means of large-scale industrialisation, backed by massive scientific research and education, can India hope to emerge from her poverty and distress and rapidly build up the high standard of living to which her people are entitled and so desperately aspire." Though one may have philosophic doubts on the value of large-scale industrialisation, no one can question the overall truth of this statement and the phrase "backed by massive scientific research and education" is to be especially welcomed.

No one in Britain needs reminding that scientific research is essential not only for the welfare, but in certain circumstances for the very existence of a nation. The brains which countered the magnetic mine and the flying bomb were nourished in our research institutions and we owe our survival to them. The value of research was not wholly realised even in England before the war and certainly not by the Government of India, which in 1931 went out of its way to select scientific services for drastic retrenchment. All that is now at an end. The war brought a change of mind, and, in 1940, the Board of Scientific and Industrial Research, the Indian equivalent of the Department of Scientific and Industrial Research in Britain, was founded. This was followed in 1943 by a request for British scientific help and Professor A. V. Hill, one of the Secretaries of the Royal Society, went out to India to investigate and discuss the organisation of the Indian scientific research services. both fundamental and applied. It is very significant, as illustrating the universal friendliness amonst scientists, in striking contrast to world-wide political bickering, that he experienced nothing but helpful co-operation and cordiality during his extensive tour. He returned convinced that full and friendly collaboration in scientific, medical and technical fields was possible between England and India: it could quite easily not have been. Especially did he find a desire to send young Indians to Britain to work in laboratories and factories in order to gain the necessary experience for the development of efficient Indian equivalents. Professor Hill's comprehensive report on the results of his visit embodies definite recommendations for concentrating the various scattered research establishments under a Central Organisation for Scientific Research, with specific suggestions for an All-India Medical Centre, Agricultural Research and Technological Institutes.

Following Professor Hill's visit, the Government of India formed a new Department of Planning and Development, whose business it is to finance and push through the vast

new schemes.

So far, so good. It will be many years before these ambitious plans are put into full effect. The present scientific resources of India are quite inadequate to deal with such a demand and it is inevitable that considerable numbers of Indian graduates will have to be sent to Britain

and the United States for training. Many have already arrived and are working in research institutes, factories and universities. There is also a movement of highly qualified men from Britain to India to help in the reorganisation and training in Indian establishments. This is all to the good of friendly relations between the two countries and will be of immense value in maintaining cultural and commercial ties when the British leave India next year. We British scientists who have had opportunities of meeting some of our Indian guests, can testify both to their abilities and their friendly appreciation of the political sincerity of the Labour Government in deciding to hand over power on a certain

One of India's pressing needs requires to be mentioned to illustrate the magnitude of the task facing her scientific advisers. Agriculture is the greatest Indian industry, but in order to provide adequate nutrition for her enormous population, not to mention its expected increase, great expansion is necessary. In 1943 the total expenditure on research was only two-thirds that of pre-war Great Britain. which has one-eighth the population and one-twentieth the area.

What is going to be the result of this full-scale impact of Western science on the East? Science owes its success to concentration on external observations: the Indian genius is psychological, essentially introspective and intuitive. The successful synthesis of objective science and remarkable results, perhaps a new civilisation in which outward prosperity and well-being is accompanied by inward serenity. This happy combination has been the aim of Western man, alas without success. Western science and Western philosophy have achieved the Atomic Bomb. What will India achieve?

## UNESCO and the Far East

XPERTS on fundamental education from all over the Far East and the South West Pacific are to meet this month in Nanking to decide on measures which should be taken to implement the campaign launched by the United Nations Educational, Scientific and Cultural Organisation (UNESCO) against illiteracy. The conference is being held under the auspices of the Chinese Ministry of Education, and it is hoped that experts from India, Burma, Indonesia, Korea, Indo-China, Siam, Malaya, the Philippines, Australia, and New Zealand will be able to

Amongst the plans to be discussed at the conference are those for the development of two "pilot projects" in China itself for experimental work in fundamental education, and it is probable that the Chinese Government will offer two areas—one near Nanking and one near Chungking—for the carrying out of these experiments. It is expected that the conference will also prepare for the first Regional UNESCO Office in the Far East.

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#### by Kenneth Grenville Myer

BEFORE opening a book on China, one must reflect that the Celestial Empire was even more sealed one hundred years ago than Soviet Russia is accused of being to-day. Accept, too, that the reasons which made the Emperor keep what are now known as the Western Democracies at arm's length are the same which make Soviet Russia hesitate to allow too much freedom of intercourse between its nationals and the foreigner—these reasons being that the impact of Western ideas and commerce on the minds of the segregated peoples would have a disturbing effect—and one has a fair idea of the situation in China in 1832. This may be difficult for the uninitiated to believe, but it is nevertheless true and is elaborately explained in FOREIGN MUD, the latest and most exquisite work to flow from the pen of Maurice Collis. For "pen" I had almost written "brush," since Mr. Collis is so steeped in Chinese habit and custom that I had almost expected him to have brushed his words upon his paper. At the time of which Mr. Collis writes, the Eight Regulations were still in force which restricted legitimate trade to Canton and were calculated to "render the Barbarians harmless and expose them to the maximum of exactions without possibility of redress. They were not made subject of Chinese Law" and could settle permanently on the narrow strip of land allowed for trading. Various attempts had been made to get these regulations altered—an embassy was sent on two occasions to Peking in the previous century—and Mr. Collis traces the sequence of events from the appointment of Lord Napier, referred to by the Chinese as the Barbarian Eye, on the last day of the year 1833 until the might of the British Navy, ships of the line and all, opened up China to trade in 1842. It does not seem that Albion emerges in a very good light: in order to swell the Bengal budget and the revenues of the merchants of Calcutta, opium was grown in India and auctioned on a very large scale. The destination of this opium-the Foreign Mud-was China, where it was smuggled into the country by traders who were also engaged in legitimate commerce through Canton. That the Chinese officials were venial enough to take part in the opium traffic made it possible but does not excuse it. Yet so carefully does Mr. Collis present his case that we can see clearly the inevitability of the opium traffic and at the same time the far-sightedness of the principal traffickers in seeking to get it replaced by something less discreditable. I hesitate to use the overworked word "atmosphere" in describing this delightful book, and yet it is difficult to find another which will give just that impression of the painstaking research, wealth of circumstantial detail and efforts

## FAR EAST

at affectionate exhumation which have so obviously gone to the building up of the characters who swarm through the book as they must once have swarmed down Respondentia Walk and Hog Lane. This book then, has authentic atmosphere. Embellished as it is with numerous illustrations and maps, it is far more than a carefully compiled history of a momentous decade. The characters rise from its pages dressed in cotton, silk or European clothes, drinking tea or strong waters, losing or gaining face, squeezing or being squeezed, trading openly or surreptituously, with an almost incredible verisimilitude. They move between the reader and the printed page with an assured air, the marionettes of Destiny, twisting guilefully the while.

What changes can happen in a hundred years, a vengeful cycle of Cathay! Foreigners have penetrated into the uttermost parts of the once great empire whose Emperor has toppled down. No longer can he memorialise Heaven itself or indite his Mandate with his Vermilion Brush, ending with the words: "Tremble Hereat. Respect This." He has gone, and after him the extra-territorial rights, the gunboats on the Yangtse, and the rest. China is now a country engaged in sporadic civil war, on one side the Kuomintang, this time a year ago roughly in possession of the southern half of the country, and ranged against them the Chinese Communists. In his book JOURNEY TO RED CHINA, Robert Payne takes us to a country which hardly seems ever to have been on the same planet as the China Mr. Collis knows so well.

It is a strange, insubstantial China, largely of the spirit, whose ideographical ideology is founded on its peasantry, whose population is claimed to be one hundred and thirty millions, all subscribing to the same brand of Communism which is described as "Democracy plus Capital." It seems to be a China strangely reminiscent of Republican Spain. Mr. Payne's description is reminiscent, too. It seems to stem from all the accounts we have ever read from Hemingway downwards of the Upsurgence of the Peasants. We find in his book, with the sense of having been here thousands of times before, that the People's Leaders do not want War, they only want to be left alone; that they have, as might be expected, that stereotyped simplicity which no People's Leader should ever be without, and they look, most of them, like a farmer, or a professor, or, of course, a peasant, and not a bit like what a People's Leader is imagined to be. I should be misleading you if I were to suggest that this book gave a connected account of the rise of the Chinese Communist Party, or indeed gave a connected account of anything at all. It does not. It is made up of a collection of beautifully-written sketches suspended in a vacuum. Mr. Payne has undoubtedly the ability to write extremely well, in places his prose is magnificent, and the book is well worth getting for that reason alone; but he cannot, I'm sure, realise how irritating to the reader can be his habit of omitting all that he regards as nonessential. On his journey he met a number of important

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people, and it must be remembered that people who influence even to a minor extent the destinies of a population as large as that of the United States are important, and he has described them in a masterly fashion. He was obviously impressed more by some than by others, but I found it difficult to discover how his impressions were growing as he progressed. Perhaps Mr. Payne may not think that matters. I was unable to find some of the places mentioned in the text on the end-paper map: Mr. Payne may not think that matters either—and I don't suppose it would, if what Mr. Payne does give us were not so absorbingly interesting.

The shaded part of this map is the portion of China not under Communist control, and it is mainly in this area that the action of MY CHINESE WIFE by Karl Eskelund takes place, when he and his wife are not chasing round some other part of the globe, which they gladly do with the slightest encouragement. This autobiography presents for your inspection a third facet of the many-sided jewel that is Cathay. It is not so stylish, antique or curious as Mr. Collis's, nor so "significant," and weighty as Mr. Payne's, but it is an amusing, light-hearted, adventurous sort of China. Mr. Eskelund's zest for adventure was born when he shook hands with the King of Siam at the age of six, and was whetted eleven years later when he ran away from his native Denmark to join his father, a dentist, in Shanghai. While a student at Yenching University before it evacuated, he meets Fei Chi-yun (Beautiful Cloud) and it's love at first sight. But only a few pages later she becomes Mrs. Eskelund, and any hopes the reader might have of following sympathetically a long account of a romantic courtship are dashed. These are the refreshing adventures of a married couple, sometimes together, more often alone, amusingly and delightfully told by one who is obviously an accomplished journalist with a sure and certain touch and a knowledgeable ability for extracting the last ounce of fun out of any situation. Mr. Eskelund's comments on the New Life Movement and China's First Lady make one regret that he has not given us more of his shrewd judgments. No doubt he could be very interesting if he chose, for he was a war correspondent covering the Japanese invasion of China, covering the Soviet invasion of Finland, and in foggy Chungking covering what news there was from the Generalissimo's headquarters. When there was no news: he made some: by punching Chiang Kai Shek's son on the nose! This is a boisterous book and would have been enjoyable even without the clever little; drawings by Hans Bendix, but was the best one chosen for the dust cover?

Following Karl Eskelund over the Hump into India, the BROWN EMPIRE, as Erskine Wyse calls it, we find things very different. Mr. Wyse is also a journalist, but he has written a very different kind of book. This is a comprehensive survey of the Indian Question in what might be described as literary bas-relief, a technique which is justified by the clarity with which his immediate subject stands out, yet never to be viewed without the background of which it is part, one and indivisible. Mr. Wyse's judgment is necessarily summarised, but it is piercing and forceful for all that.

# **ECONOMIC** SECTION

## PROSPECTS OF ANGLO-INDIAN TRADE

by Felix Wirth

HE Cabinet decision of February 20th regarding the transfer of power in India has raised the vital question of the future of British business in India. Fortunately, doubts which may have been entertained on that score were early dispelled in a vigorous House of Lords debate on India held shortly afterwards. Winding up the debate, the Lord Chancellor allayed the fears of an economic evacuation, saying that "however forms of government might change, India and ourselves must always remain closely united by bonds of interest, sympathy and long association. We need India in the troublous times ahead just as India needs us . . . . This is no evacuation in the sense that all British interests, British traders and British people are going to leave India." From the Indian side a clear statement on this matter was made on January 18th, i.e., even before the transfer decision, by Pandit Nehru, Vice-President of the India Interim Government. Addressing, at Calcutta, a meeting of the Association of Chambers of Commerce, representing European commercial interest in India, Mr. Nehru stressed that his country's relationship with Britain will continue in hundreds of ways. He re-emphasised India's need for capital goods and the scope which private European enterprise would retain in Indian economy.

#### CLOSER CO-OPERATION

It is also becoming clear from other initial and, as yet, cautious comments and moves following the decision of February 20th, that recent events are resulting in something of a get together among the British and Indian industrial leaders. In his comment on these events the City Editor of the London Evening Standard said on March 11th: "Nothing much has yet been said about the position of British firms in India when the hand-over takes place next year, but the people on the spot are working on the assumption that British capital will still be allowed to play an important part in Indian development.

"A significant move in this trend towards closer cooperation between British and Indian business interests iswas originally better equipped to meet the demands of the

the election of Mr. Mathu Prasad Birla as chairman of the Indian Jute Mills' Association—the first time an Indian has held the position since the Association was inaugurated

Integration of British and Indian business activities, transfer of enterprises from British to Indian hands and the constant and inevitable interaction of the two business communities operating in the same area have been known in the economic life of India for some time past. A survey of the existing position of British trade in India on the eve, as it were, of the hand-over should, therefore, be a matter of considerable interest to a wide circle of public in India as well as in Britain.

#### MANAGING AGENCIES

The point of departure of such survey must be a review of the existing conditions of one of the oldest institutions developed by British trade in India, viz., the "managing agency." It forms a large part of British business there and it contributes very greatly to the strengthening of the India's commerce with the United Kingdom. It is worth age recalling that before the advantages of joint-stock investment had appealed to the Indians and for as long as Indian to capital was shy of the risks involved, the British managing agency houses not only managed, but almost wholly owned, the industrial concerns which were under their charge. Throughout the last century and the earlier part of this, they constituted practically the whole of Indian industrial enterprise. This was the position in the most important pioneering period of Indian industrial development; but since the last war there have been considerable changes, and whilst the pre-eminence of the big British managing agents is not yet a thing of the past, it has to some extent been modified by events. The rise of the house of Tata to a position of national importance, both economically and politically, and the ever widening scope of the interests of Birla Brothers (a large Indian-controlled managing agency) to mention only two examples, are expressive of the confidence which Indian investors now have in purely Indian industrial management and financial probity. These are the two outstanding instances of Indian operations in the field of industrial promotion and management which owes its origin to the genius of the British business community in India. Many other smaller Indian entrepreneurs have similarly established themselves. Some of them have a good and successful record; others not so good.

#### INDIAN OWNERSHIP ENCOURAGED

The trend in the industry of India during the past quarter of a century or so has, on the whole, favoured expansion of Indian ownership. But the absence of British investing capital in India has become particularly noticeable only during the recent war. There were several reasons for this in addition to the usual difficulties connected with longterm investments in war-time. The part of India's industry which had British affiliations in ownership or management

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In ac B th war effort, and fewer additions to productive capacity were therefore necessary. Again, anticipating that the war might completely change key manufacturing processes, British businessmen have deferred expansion schemes until new machinery and technical processes become available for peacetime purposes. It has also been the deliberate policy of the Government to encourage Indian entrants into the industrial field; and finally in terms of the political future, the Indian entrepreneur is a good deal more confident of where he stands, and the field which is open to him, than is his British competitor in India.

On the other hand there is no evidence to support the view that transfers of British commercial interests to Indian hands have made any important contribution to the expansion of the Indian industry.

#### **NOT MANY TRANSFERS**

From an examination of conditions in Eastern India, where British business is largely concentrated, it can be said that the transfer of British concerns and British managing agency rights to Indians, by sale or by the termination of managing agency agreements, has been small, having regard to the special conditions of the last few years. In spite of the existence of circumstances in which they might well have disposed of their considerable interests as owners or managers, the big British managing agency houses have stood firm during this period. Such voluntary transfers of ownership as there have been have affected only smaller concerns.

The situation has been in a somewhat greater flux in other parts of India. An important development in Bombay has been the sale of the Sassoon group of cotton mills. In South India a number of complete tea and rubber estates with factories have passed into Indian hands. Some of them represent fairly large deals, and there is little doubt that these transactions have been encouraged by inflationary conditions with the Indian purchaser wishing to protect himself against a depreciating rupee, and the British vendor attracted by a price he may never be offered again. In North-East India, in the Darjeeling district and Assam, there have also been some transfers of planting interests from British to Indian hands. British companies have sold to Indians both planted and unplanted areas, and there are well authenticated reports that some of the privately-owned British gardens in the Darjeeling district have passed into Indian hands. Authorities on the subject are agreed, however, that, in North-Eastern India, the maximum estimate of the total of such sales of tea gardens would not exceed 20,000 acres out of 800,000 acres under cultivation in this part of India. It is probable also that a number of miscellaneous interests of varying dimensions, which it is impossible to catalogue, have gone over to Indian ownership. Such is, for instance, the case of the acquisition of a big block of ordinary shares which replaced British control over Association Hotels of India, Ltd., by that of an Indian group.

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#### BRITISH CHANCES

In estimating the value of British commercial interests in India it is essential to take into account their contribution to Indian trade with the United Kingdom. It is important to realise, of course, that the overall volume of Anglo-Indian trade is larger than that initiated by the British trading community. There is little doubt, however, that in purchasing plant and machinery, stores, replacement equipment, in obtaining technical services, insurance, overseas and local transportation as well as legal, accountancy and medical aid the British management in India normally show a preference for goods and services obtainable in the United Kingdom. The Indian business community gives British commodities, at best, an equal chance.

While complete statistical surveys are unobtainable a fairly clear picture of this contribution can be obtained from an account on the position in the representative sector of the jute mill industry. The industry (98 per cent. of which is organised in the Indian Jute Mills' Association) operates more than 66,000 looms and employs about 300,000 workers. British management accounts for about 75 per cent. of the total. The importance of their purchases, and, subsequently, the importance of their selecting the source of their purchases is shown by the fact that the annual value of stores consumed, based on normal working hours, is to-day estimated at Rs. 2.15 crores or £1,606,905. This sum is spent on card clothing, machinery spares, roying

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Life Business

and spinning spindles and flyers, shuttles, belting, baling hoops, buckles, pins, etc. There are other items of essential expenditure in the running of a jute mill, which this figure does not include. It is understood, e.g., that electrical equipment to the appropriate value of Rs. 1.87 crores or £1,397,651 required to electrify steam-driven jute mills, is at present on order or under negotiation. This item relates only to part of the post-war requirements of one industry in which British managing agents are engaged.

In the field of services, an interesting picture is offered by the trends of British participation in the insurance business in two typical years, viz., 1928 and 1942. (N.B. Year 1928 was the first year in which statistical returns were filed with the Indian Government.)

No. of U.K. Insurers		16	- 11	
No. of Indian Insurers		80	184	
	£		£	
Prems. of U. K.				
Insurers	1,034,000	22.1%	1,441,000	12%
Prems. of Indian				
Insurers	2,513,000	53.6%	9,052,000	75.2%
Prems. of other non-				
Indian Insurers	1,140,000	24.3%	1,550,000	12.8%
7.	£4,687,000	100%	£12,043,000	100%
Non-Life Business				
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No. of U.K. Insurers		68	60	
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and of allound allounds	F		F	15 05)
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Insurers	1 297 000	681%	2,731,000	47 5%
Prems. of Indian	1,277,000	00.1 /6	2,731,000	41.576
Insurers	208 000	1619	1,546,000	260%
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	300,000	1609	1,473,000	20 60
Indian Insurers	300,000	15.8 %	1,473,000	23.0 %
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Although a general recession is noticeable there is little doubt that in the non-life business United Kingdom insurers are still maintaining their leading position.

What can be said of the future of the British business community in India? When the transfer of power to Indian hands is effected, in just over a year's time, the British business community will form a unique body in the world's commercial life. It will no doubt be exposed to Indianisation pressure, perhaps heavier than heretofore. Its financial integrity and technical ability are, however, two tremendous assets which no Government will wish to get rid of. It is for these reasons that the basic assessment of its future should be as optimistic as the overall prospects of trade between India and the United Kingdom.

#### British Tea Centre

ERSUADING the Englishman to drink tea ought to belong, one would think, to the class of occupations equivalent to carrying coals to Newcastle. would be, perhaps, a superficial reaction of someone coming across the fine little Temple of Tea, right in the heart of London. But no! the Tea Centre, for this is the prosaic name of the little Temple I have in mind, has little to do with propaganda. It is not an effort to make the native drink more tea, because no more can be had; nor is it an attempt to lure the foreign tourist away from his ingrained habit of coffee drinking. It is an attempt, a very successful attempt at that, to put one to shame, as gently as possible, for knowing so little about tea. Did you know it was one of the Empire's major industries? Did you know that this 46-million nation drinks five or six times more tea than the 136-million-strong United States? Did you know about tea in some of its sublime aspects as a world-wide social custom, as an inspiration to art and design, as a stimulating factor in industry and daily life, as an asset to Britain in her post-war recovery, as a powerful link between Britain and the East? Well, all this can be learned from the permanent London Tea Centre Exhibition.

But the Empire Tea Bureau, responsible for organising and maintaining this Exhibition, goes still further in promoting the interests of tea. An important part of its activities is represented by the Tea Advisory Department, consisting

of several sections:

(a) Industrial Tea Advisory Section. Gives help based on practical experience to industrial and commercial concerns and Government Departments wishing to reorganise existing tea services or to inaugurate entirely new ones. No fewer than 3,500 firms, including some of the largest in the country, have consulted this section.

(b) Caterers' Tea Advisory Section. Gives advice and

help to Hotels, Restaurants, Stores and Cafes.

(c) Roads and Travel Advisory Section. This section has recently been set up to cope with the demand for improved tea services for travellers, and is also working very closely with the Main Line Railways in the inspection of Railway Refreshment Rooms.

(d) Services Tea Advisory Section. Maintains a staff who visits camps, barracks, training centres, leave trains, huts, institutes, etc., in fact, any locations where Service men and

women congregate for refreshment.

A Research Department conducts investigations into all matters of interest to the Bureau and those whom it serves. It has already handled such interesting topics as juvenile feeding facilities, the effect of rest pause with refreshments on production, the factors influencing the usage of industrial canteens, etc.

And, finally, the Training Department, which offers facilities for Training Courses for Tea Supervisors and staff, and for giving lectures on a wide range of subjects, including the history and production of tea, practical tea

service, and catering matters generally.

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# UNITED NATIONS REPORT ON ECONOMIC RECONSTRUCTION IN ASIA AND THE FAR EAST.

VERY important document, but hardly known to the A general public, is the Report prepared by the U.N. Working Group for Asia and the Far East to the Economic and Social Council last March. It contains all background material on war devastation and reconstruction needs in South-East Asia and the Far East which was made available to the Working Group. As its members met in New York instead of Nanking (as originally intended) and their observations have, therefore, not been confirmed by investigations on the spot, though unsettled conditions in some of the Asiatic countries and the lack of well-developed statistical reporting services have necessarily restricted its completeness, the Group was nevertheless able to present a detailed survey of the war damage in Asia, and sufficient material for an analysis of the most urgent reconstruction problems as well as to make specific recommendations in that direction.

A specially interesting chapter deals with the importance of Asia's economy to the world. It reminds that more than a thousand million people, about half the world's population, inhabit that region. That is 50 per cent. of the total number of persons in whose interest the Charter of the United Nations includes the pledge to promote "higher standards of living" and "conditions of stability and wellbeing." The Report stresses the fact that this region was one of the world's chief suppliers of vital industrial and medical materials, such as rubber, tin, tungsten, quinine, tea, soya beans, hemp and vegetable oils, and that a substantial rise in the purchasing power of the Aslatic peoples would open up new opportunities for international trade. Also, the writers of the Report warn that the evil effects of a low standard of living cannot be confined to any one region. Indeed, they consider it vital that Asia, with the assistance of other parts of the world, must enter upon a phase of rapid economic progress as its recovery is a prerequisite for sound world trade relations. Economically under-developed areas are described as constituting a danger, for they have in the past served as the meeting place for the conflicts and contentions of the industrialised powers.

The Report then enters upon a detailed survey of the war damage sustained by the various Asiatic countries, but admits that the authors have found it difficult to assess even direct damage, while indirect losses had to be largely a matter of speculation. Since estimates of war losses in terms of money are based on varying interpretations of loss and exchange values, such estimates are not cited in the Report, nor has the length of occupation been taken as a test. China, for example, which has never been fully occupied, suffered most of all, whereas India, which suffered little from the direct impact of war, nevertheless experienced indirect casualties and loss through famine on a considerable scale, and some other countries that were

occupied for years suffered comparatively little.

After the comprehensive survey of the war damages of the individual countries, the Working Group makes suggestions as to the immediate needs for economic reconstruction in the various areas, proposing the priority to be given to respective materials or import policies. Thus some states are advised to give priority to transport, others to food or to the import of vital raw materials.

With regard to long-term economic reconstruction, the Report advocates that this should not be construed in the narrow sense of mere pre-war conditions which presented some kind of dual economy, with a thin veneer of industrial modernisation only partially overlaying ancient, pre-industrial societies. The Working Group, in short, suggest that reconstruction in Asia and the Far East must be regarded "as the first step in a vast re-adjustment whereby the people of the region, with such assistance as the United Nations can give, would undertake the systematic application of modern technology, adapted as necessary to local needs, as rapidly as may be feasible, to all departments of their economic life."

In this connection, the Report considers it as most important that in practically every country in the East, there is a widespread and insistent demand for industrialisation in order to raise the living standards. This will require capital, and though much of it will come from local sources, the process of industrialisation will be much easier if outside capital and other forms of outside assistance can be obtained in considerable amounts "under arrangements which avoid the danger of political intervention and which appeal to all parties as fair."

The Working Group considers nine main obstacles as now retarding economic reconstruction in Asia and the Far East. (1) Political and social unsettlement heads the list, but the authors express the view that economic improvements offer a better environment for the peaceful solution of this problem. (2) The shortage of trained personnel and the lack of educational facilities. (3) Lack of capital. (4) Lack of foreign exchange resources. (5) Shortage of transport and industrial equipment. (6) Lack of materials, notably building materials. (7) Inflation and internal monetary disorders. (8) Shortage of basic consumer goods, like food, clothing and medical supplies. (9) Need of scientific

developments.

To carry out the task of reconstruction in Asia, the Working Group considers it imperative to establish a special organisation to deal with this yast and complex problem, and recommends the creation of an Economic Commission for Asia and the Far East which would co-ordinate both the needs of the countries concerned and the measures of assistance which the United Nations can afford. This proposal was accepted unanimously by the Economic and Social Council on March 18th.

## EAST INDONESIA: A New Economic Factor

larly the division of this area into two distinct constituent parts, viz., the Republic of Indonesia and East Indonesia (formerly the Great East) brings to the fore interesting questions of economic policy. The integration of the former Great East: Borneo, Celebes, Bali, the Moluccas, Dutch Timor, Flores, Sumba, the Lesser Sunda Islands, Lombok and various smaller islands into the proposed East Indonesian State is likely to add many new aspects to the economic prospects of that part of the world. It is too early, yet, to determine the line of long-term developments. However, there is little doubt that East Indonesia, which has always had the features and latent characteristics of a frontier—in the American sense of the word-will in the coming years become an economically active area. Again the territories' closer relationship with the Netherlands will probably contribute to greater interest of the Dutch, and possibly other European interests, in the economic development of East Indonesia.

It is for these reasons that considerable importance is now being attached to econometric surveys of the East Indonesian State. While conditions for economic surveys are still far from favourable, a number of significant points has been stressed in discussion on the economic future of East Indonesia, and the *Economisch Weekblad*, the official organ of the Netherlands East Indies Government, recently published valuable figures in this connection.

A fact of primary importance is that the Outer Territories of the D.E.I.\* have been developing faster than the rest. of the D.E.I. The growth of their population has been quicker and so was the value of their trade; their participation in the administration of the D.E.I. was being steadily enlarged particularly as a result of the Acts of 1903 and 1922. This growing pace is clearly indicated by the following information from the Statistical Abstract for Nederlands India (Indisch Verslag, 1938).

#### HE vast constitutional changes in Indonesia, particularly the division of this area into two distinct

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	Area (sq. miles)	1900	1920	% of	1930	of p	ensity er sq.
Java and				ncrease		rease	
Madura	51,000	28,386	34,977	23.2	41,718	19.3	818.0
Sumatra	182,000 )		14,36	7 43.7	19,009	32.2	45.2
Great East							29.3
Total D.E.I.	735,300	38,386	49,344	28.5	60,727	23.1	82.6
(U.S. of Indo	nesia)						

Agriculture is the principal means of existence in the Outer Territories, but in contrast to Java and Madura, their principal agricultural products are commercial crops, the value of which forms 40 per cent. of the total income. In Java and Madura this is but 10 per cent of the total income. This is borne out by the following statistical picture of the situation in the year 1939.

#### VALUE OF AGRICULTURAL PRODUCTS.

		Millions Guilders	Per Head in Guilders	
	Java and Madura	Outer Territories	Java and Madura	Outer Terri- tories
Commercial Crops, Estates	175	183	3.90	9.00
Commercial Crops, Native	57	232	1.30	11.50
Foodstuffs	550	280	12.20	14.00
Total	782	695	17.40	34.50

If one considers that one-quarter of the export value of the estate products reverts to the natives in the form of wages, and that in Java and the Outer Territories 70 per cent. and 80 per cent., respectively, of the population are engaged in agriculture, the average income of the farm worker appears to be as follows:—

#### AVERAGE YEARLY INCOME

		Engaged	nd of Population d in Agriculture n Guilders		
		Java and Madura	Outer Territories		
ops, Estates		1.50	2.75		
Native	***	1.90	14.40		
000 006	***	17.40	17.50		
Total	***	20.80	34.65		
	, Native	, Native	Engaged in Java and Madura cops, Estates 1.50 1.90 17.40		

It is clear that the economy of the Outer Territories, depending more on the export of agricultural products than that of Java and Madura, is more susceptible to changes in international trading conditions, especially as apart from certain areas, viz., Bali and Lombok and South Celebes (in East Indonesia) and some areas in Sumatra, the Outer Territories are not self-supporting in the principal staple food, namely, rice.

<sup>\*</sup> The term Outer Territories, no longer corresponding to the proposed political settlement, is necessary in quoting the substantial pre-war statistical material. A major discrepancy is, prima facie, likely to be caused by the fact that the Outer Territories used to include Sumatra which, under the Cheribon Agreement of November 15th, 1946, has become part of the Republic of Indonesia. In view of their fairly uniform level of economic development, however, it is not thought that data pertaining to the former Outer Territories would require more than a slight rectification when applied to East Indonesia alone. The adjustment of statistical forms to the new political set-up is likely to take a longer time in the flux of the Indonesian situation than would be justified under more normal circumstances.

THE ORIGINS OF THE INDO-CHINESE PROBLEMS (continued)

True, in recent years the Outer Territories have increased their rice production thereby reducing their dependence on Java. It does not, of course, mean that the deficiency has ended. It continues to exist both in terms of local as well as world-wide requirements. But the reduced demands for rice imports could not but affect the size of imports into the Outer Territories of other consumers and capital goods. With the general rise of trade volume of the Outer Territories, as shown in the table below, there has thus been a corresponding increase of non-food imports.

## TRADE INDICES (BY VALUE) (Basis 1914 — 100)

Year	Jav	a and Madu	ra	Outer	Territ	tories
1846		13	***		3	
1860		21			6	
1873		33	***	10.0	14	
1894		35			18	
1904	***	41	***		32	
1914		100			100	
1920	***	359			193	
1925		230			295	
1930		198			234	
1935		67	***		103	
1940		122			205	

In the inter-island trade, Java and Madura show an annual export surplus of several tens of millions of guilders. But the Islands' balance of foreign trade has, with the exception of one year, been consistently adverse since 1928. On the other hand the Outer Territories have been showing an export surplus, both in inter-island as well as in foreign trade, varying between fl200,000,000 and fl500,000,000.

The available statistical evidence shows that while up to the time of the Japanese invasion, early in 1942, the Dutch were striving at building up the economic resources of both Java and Madura as well as the Outer Territories, the high level of economic organisation of the former left little scope for further substantial increments in their production and trade. This was in contrast with the position in the rather underdeveloped Outer Territories.

In line with happenings in other parts of the world at that time, the Netherlands' aim was to increase the D.E.I. internal production to reduce dependence on the outside world. The period of depression in the early 1930's had clearly demonstrated the need of these plans. These and other measures taken by the Government assisted in the unification of Indonesia. Also the development of cheap and rapid transport, improvement of roads, etc., and the increase in emigration of Javanese to Sumatra were effective means of economic integration of the vast areas of D.E.I. It will be a matter of intense interest not only to economists but to all who follow the recent economic and political events in the East to see if these basic integrating tendencies would continue to develop or would be replaced, on political grounds, by an opposing trend.

"modus vivendi," based upon a genuine principle of reciprocity, was able to re-establish an atmosphere of conciliation. In other words one was entitled to expect, for January, 1947, the resumption of definite negotiations. It must be remembered, unfortunately, that these hopes have not been realised. It is possible that M. Ho Chi-Minh has lost his authority and has been outflanked by his own troops. Certainly, the "modus vivendi" has not been carried out on the Viet-Nam side and the situation in Indo-China is more tense than ever. The problem is not that of re-establishing French colonial domination in Indo-China, for that was unilaterally renounced by France even before the defeat of Japan. It will be interesting to see whether France—whose jurisdiction, cultural and medical establishments, and whose enterprises represent a substantial part of Indo-Chinese assets-and the different peoples of the peninsula, on an equal footing, will be able to construct a federal state capable of peaceful progress, or whether Indo-China will remain the fief of a minority. The Government of General de Gaulle and the Governments which have followed him have very clearly put a full stop to all colonial policy which would place the peninsula under the exclusive authority of a French minority. Now it is for the rulers of Viet-Nam to renounce in all sincerity their intention to place it under the domination of an Annamite or Tonkinese minority.

#### AMONG THE KARENS (continued)

elephants and men were waiting for us in their temporary rest camp. David and his men were in a very cheerful mood. Fish had been caught, a couple of wild pigs shot, and greatest luck of all, the elephant herd had been increased by the birth of a male calf. This meant that rest would have to be extended by a few days before he would be strong enough to accompany us on the homeward march.

Of our long return there is nothing to place on record. There were incidents, of course, such as the morning when the baby elephant fell into a hidden hole, and of the gallant and successful efforts of the men to prevent the whole herd from getting into the hole in their endeavour to extract him. But in general, the march was like any other. Day after day the cavalcade of men and elephants in single file threaded its way through the endless jungle-sometimes passing under canopies of quivering bamboo and beneath the shade of huge trees, whose long candle-shaped boles measured over twenty feet in girth. We crossed hills and dashing, bubbling streams and pushed through miles of rippling elephant grass, twelve feet high, and where nothing could be seen but the blazing sun above. Throughout all those miles, covered in some eighteen days marching, we only encountered four villages and on the road we met no one. I have often wondered, since, how David, Pa Kywa and multitudes of other friends were treated by the Japanese conquerors, and how their nearer neighbours of the plains have behaved since the security and peacefulness brought to their country by the British have been so ruthlessly swept away.

## ECONOMIC Tin-dredging Vessels for Biliton. The United Mining Compan NOTES

The United Mining Company Biliton is reported to have placed with Representatives of Czechoslovak industhe Jansen Shipbuilding Yard at Druten (Holland), an order for five "Anchor" class ships to be used for tindredging operations in Indonesia.

#### British Trade with India.

The first 1947 Board of Trade data Copra for the Netherlands. confirm the importance of the Indian Copra from the Celebes and other ery (£1,993,000), Electrical appliances (£558,000) and Chemicals (£749,000). In hardware exports India takes third place (£200,000) after South Africa and Australia. During January important cipal export groups were also made to Burma, British Malaya and Ceylon. Market research in Asia indicates the existence of favourable conditions for exports of British machinery belting and allied products. In India, the chief imports in this line is the industrialisation of the country. American and European competition, however, is likely to become felt in the Indian market soon. In Burma the disappearance of Japanese trade should influence a larger volume of business for United Kingdom manufacturers. Return to normal conditions in China and, with should have favourable repercussions on British trade in this and other sectors.

#### Bicycle Tyre Manufacture at Batavia.

The General Rubber Industry Co. of Batavia has resumed the production of bicycle tyres and inner tubes for bicycles. The output, restricted owing to adverse conditions to about 1,000 a day, is expected to increase to its prefuture.

market to the British export trade. In islands will soon be shipped to Holland January, e.g., India led as principal for processing in margarine factories. customer in the following groups of During 1946, 112,000 litres (24,500 gal- Japanese Cotton Goods Industry. exports: Vehicles (£,342,000), Machin- lons) of coconut oil and nearly 92 Negotiations between the various shipments of commodites in all prin- Holland and a few additional boats in manufacture fabric from American raw the United States.

#### Transport and Communication in Indonesia.

factor in the development of post-war The Philippine Airways are to open a regular service to the Republic of Indonesia. The number of Dutchoperated telegraph stations in the Indonesian Archipelago is 125 compared with 60 in July, 1946. Direct com- Africa and of Jamaica. munication with Shanghai and San Francisco has been restored.

## slovakia.

The Czechoslovak-Indian Trade Agreeslovakia and an Indian Government, is trol of Japanese exports. expected to contribute to an expansion of trade between the two countries very soon. The signature of the agreement de-froze large sums and other property Chinese Interest in British Jet Engines. ditions.

#### Czechoslovak Chamber of Commerce in Shanghai.

trial concerns and merchant houses in China have decided at a recent meeting attended by members of the Commercial Section of the Czechoslovak Legation at Nanking, to set up a Czechoslovak Chamber of Commerce in Shanghai. The Organising Committee is headed by Mr. F. Urbanek, representative of the Skoda Works.

metric tons (90.4 long tons) of copra Allied Governments and the United were produced at Makassar (S.W. States Government may, in the near Celebes). To overcome the inter-island future, release for world-wide consumptransport difficulties hampering local tion, millions of yards of Japanese collection of these goods, the Dutch cotton cloth. Under the proposed have chartered six coastal vessels in arrangements, Japanese mills would cotton. It is understood that the Indian Government too, is offering Japan raw cotton in exchange for piece goods. The Japanese cotton mills are stated to be capable of consuming about 1,000,000 bales of raw cotton annually. The British Government is reported to be negotiating the purchase of 50,000,000 vards of Japanese grey cloth. Inquiries regarding Japanese cotton fabric were also sent in by the Governments of the Union of South

#### Warning on Japanese Trade.

Warning against the threat of cheap it, renewal of the industrialisation drive Indian Trade Prospects with Czecho- competition, the Lancashire Chamber of Commerce deplored moves to restore the Japanese cotton and rayon industries. The resolution communiment of February 27th, the first to be cated to the Board of Trade urged negotiated directly between Czecho- quantitative restrictions and price con-

owned by Czechoslovak firms trading Chinese technicians and representatives with India before the war, and seized of other overseas countries participated on its outbreak by the Custodian of in a recent two-week course at the Enemy Property. It is understood that National Gas Turbine Establishment at the Skoda Works and the Bata Con- Lutterworth, Leicestershire, England. cern are the two major firms affected They were shown all but the most war level of 3,000 daily in the near by the return to normal trading con-secret British developments in the gas turbine field.

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